

(AR/CO) The CalWORKs grant for each month in an AR/CO Payment Period.

.2 Budgeting the Income of Individuals Added to or Deleted from an Existing Assistance Unit

.21 ~~Section 44-313.21 (QR) shall become inoperative and Section 44-313.21(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) The income of a new person who is added to an existing AU shall be budgeted prospectively in accordance with Section 44-316.312(b)(QR) for each month of the QR Payment Quarter.~~

(SAR) The income of a new person who is added to an existing AU shall be budgeted prospectively in accordance with Section 44-316.312(b)(SAR) for each month of the SAR Payment Period.

(AR/CO) The income of a new person who is added to an existing AU shall be budgeted prospectively in accordance with Section 44-316.325(a)(AR/CO) for each month of the AR/CO Payment Period.

.22 (Continued)

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 11265.2, 11265.3, 11265.46, and 11450.5, Welfare and Institutions Code; Federal Register, Vol. 75, No. 19, dated January 29, 2010, pages 4928 and 4929 [7 CFR 273.12(a)(1)(vii)].

Amend Section 44-315 to read:

44-315 AMOUNT OF AID (Continued) 44-315

- .3 Amount of Grant The county shall calculate the amount of grant as follows:
- .31 ~~Section 44-315.31(QR) et seq. shall become inoperative and Section 44-315.31(SAR) et seq. shall become operative in a county on the date SAR becomes effective in the county, pursuant to the County's SAR Declaration.~~
- ~~(QR) Reasonably Anticipated Monthly Income~~ The reasonably anticipated monthly income shall be used to determine cash aid for the ~~QR Payment Quarter.~~
- (SAR) Reasonably Anticipated Monthly Income The reasonably anticipated monthly income shall be used to determine cash aid for the SAR Payment Period.
- (AR/CO) Reasonably Anticipated Monthly Income The reasonably anticipated monthly income shall be used to determine cash aid for the AR/CO Payment Period.
- ~~(QR) .311~~ ~~Income shall be considered to be reasonably anticipated if the county determines that:~~
- ~~(QR) (a)~~ ~~The income has been or will be approved or authorized within the next QR Payment Quarter, or the household is otherwise reasonably certain that the income will be received within the QR Payment Quarter; and~~
- ~~(QR) (b)~~ ~~The amount of the income is known.~~
- (SAR) .311 Income shall be considered to be reasonably anticipated if the county determines that:
- (SAR) (a) The income has been or will be approved or authorized within the next SAR Payment Period, or the household is otherwise reasonably certain that the income will be received within the SAR Payment Period; and

(SAR) (b)	The amount of the income is known; and
(SAR) (c)	The start date of the income is known.
<u>(ARCO) .311</u>	<u>Income shall be considered to be reasonably anticipated if the county determines that:</u>
<u>(ARCO) (a)</u>	<u>The income has been or will be approved or authorized within the next AR/CO Payment Period, or the household is otherwise reasonably certain that the income will be received within the AR/CO Payment Period;</u>
<u>(ARCO) (b)</u>	<u>The amount of the income is known; and</u>
<u>(ARCO) (c)</u>	<u>The start date of the income is known.</u>
(QR) .312	If necessary, the county may require the recipient to provide one or more months of the previous quarter's income when the county needs more information to determine what income is reasonably anticipated for the next QR Payment Quarter.
(SAR) .312	If necessary, the county may require the recipient to provide one or more months of the previous period's income when the county needs more information to determine what income is reasonably anticipated for the next SAR Payment Period.
<u>(ARCO) .312</u>	<u>If necessary, the county may require the recipient to provide one or more months of the previous period's income when the county needs more information to determine what income is reasonably anticipated for the next AR/CO Payment Period.</u>
(QR) .313	That portion of the AU's income which is uncertain or cannot be reasonably anticipated, in accordance with Section 44-101(c)(1)(QR), will not be counted when determining income eligibility and cash aid.
(SAR) .313	That portion of the AU's income which is uncertain or cannot be reasonably anticipated, in accordance with Section 44-101(c)(1)(SAR), will not be counted when determining income eligibility and cash aid.

<u>(AR/CO)</u> .313		<p><u>That portion of the AU's income which is uncertain or cannot be reasonably anticipated, in accordance with Section 44-101(c)(1)(AR/CO), will not be counted when determining income eligibility and cash aid.</u></p>
(QR) .314	<p>Determine if Income Will Continue or Be Different</p>	<p>The county shall determine whether the reasonably anticipated monthly income is expected to be different from the income reported for the QR Data Month for one or more months during the next QR Payment Quarter or whether the monthly income reported for the QR Data Month is expected to continue during each month of the next QR Payment Quarter.</p>
(SAR) .314	<p>Determine if Income Will Continue or Be Different</p>	<p>The county shall determine whether the reasonably anticipated monthly income is expected to be different from the income reported for the SAR Data Month for one or more months during the next SAR Payment Period or whether the monthly income reported for the SAR Data Month is expected to continue during the next SAR Payment Period.</p>
<u>(AR/CO)</u> .314	<p><u>Determine if Income Will Continue or Be Different</u></p>	<p><u>The county shall determine whether the reasonably anticipated monthly income is expected to be different from the income reported for the AR/CO Data Month for one or more months during the next AR/CO Payment Period or whether the monthly income reported for the AR/CO Data Month is expected to continue during the next AR/CO Payment Period.</u></p>
.315	<p>Income Expected to Continue</p>	
(QR)	<p>(a) Weekly/ Bi-Weekly Payments</p>	<p>Under the following circumstances the county shall add weekly or bi-weekly (every other week) Data Month income amounts reported on the QR 7 and divide that total by the number of pay periods in the Data Month to arrive at an average weekly or bi-weekly income amount to which the conversion factor (see Section 44-315.315(b)(QR)) shall be applied:</p>

~~(QR) (1) An AU reports on the QR 7 that it is paid on a weekly or bi-weekly basis and indicates that it does not anticipate any changes in income in the upcoming quarter compared to the Data Month income actually reported on the QR 7, and the county is in agreement with the AU's report of no change in income; or~~

~~(QR) (2) An AU reports on the QR 7 that it is paid on a weekly or bi-weekly basis and indicates that it anticipates changes in income in the upcoming quarter, but the county determines in its follow up review that the AU's reasonably anticipated income in the next QR Payment Quarter will not change from what was reported in the Data Month on the QR 7; or~~

~~(QR) (3) An AU reports on the QR 7 that it is paid on a weekly or bi-weekly basis and indicates that it anticipates changes in income in the upcoming quarter and the new amount is known and that the amount will remain the same for the entire QR Payment Quarter and the county is in agreement with the AU's report of the change in income.~~

(SAR) (a) Weekly/
Bi-Weekly
Payments Under the following circumstances the county shall add weekly or bi-weekly (every other week) Data Month income amounts reported on the SAR 7 or the SAWS 2 and divide that total by the number of pay periods in the Data Month to arrive at an average weekly or bi-weekly income amount to which the conversion factor (see Section 44-315.315(b)(SAR)) shall be applied:

(SAR) (1) An AU reports on the SAR 7 or SAWS 2 that it is paid on a weekly or bi-weekly basis and indicates that it does not anticipate any changes in income in the upcoming SAR Payment Period compared to the Data Month income actually reported on the SAR 7 or SAWS 2, and the county is in agreement with the AU's report of no change in income; or

(SAR) (2) An AU reports on the SAR 7 or SAWS 2 that it is paid on a weekly or bi-weekly basis and indicates that it anticipates changes in income in the upcoming SAR Payment Period, but the county

determines in its follow-up review that the AU's reasonably anticipated income in the next SAR Payment Period will not change from what was reported in the Data Month on the SAR 7 or SAWS 2; or

(SAR) (3) An AU reports on the SAR 7 or SAWS 2 that it is paid on a weekly or bi-weekly basis and indicates that it anticipates changes in income in the upcoming SAR Payment Period and the new amount is known and the frequency of pay is anticipated to remain the same for the SAR Payment Period and the county is in agreement with the AU's report of the change in income.

(ARCO) (a) Weekly/
Bi-Weekly
Payments Under the following circumstances the county shall add weekly or bi-weekly (every other week) Data Month income amounts reported on the SAWS 2 and divide that total by the number of pay periods in the Data Month to arrive at an average weekly or bi-weekly income amount to which the conversion factor (see Section 44-315.315(b)) shall be applied:

(ARCO) (1) An AU reports on the SAWS 2 that it is paid on a weekly or bi-weekly basis and indicates that it does not anticipate any changes in income in the upcoming AR/CO Payment Period compared to the Data Month income actually reported on the SAWS 2, and the county is in agreement with the AU's report of no change in income; or

(ARCO) (2) An AU reports on the SAWS 2 that it is paid on a weekly or bi-weekly basis and indicates that it anticipates changes in income in the upcoming AR/CO Payment Period, but the county determines in its follow-up review that the AU's reasonably anticipated income in the next AR/CO Payment Period will not change from what was reported in the Data Month on the SAWS 2; or

(ARCO) (3) An AU reports on SAWS 2 that it is paid on a weekly or bi-weekly basis and indicates that it anticipates changes in income in the upcoming AR/CO Payment Period and the new amount is known and the frequency of pay is anticipated to remain the same for the AR/CO Payment Period and

the county is in agreement with the AU's report of the change in income.

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~~(QR) Example 1:~~ ~~The recipient reports on the QR 7 that four weekly paychecks were received in the following amounts: \$115, \$100, \$135, and \$95. The recipient also indicated on the QR 7 that his/her income is not expected to change during the next QR Payment Quarter compared to the income reported on the QR 7. The county will add the four weeks of income together, divide by four and then factor the resultant amount by 4.33 (use the appropriate conversion factor for the payment frequency) to arrive at the monthly income amount for the next QR Payment Quarter. If five pay periods were reported in the Data Month on the QR 7, the county will add each week together and divide by five and then factor the resultant amount by 4.33.~~

(SAR) Example 1: The recipient reports on the SAR 7 that four weekly paychecks were received in the following amounts: \$115, \$100, \$135, and \$95. The recipient also indicated on the SAR 7 that his/her income is not expected to change during the next SAR Payment Period compared to the income reported on the SAR 7. The county will add the four weeks of income together ($\$115 + 100 + 135 + 95 = \445), divide by four ($\$445 / 4 = \111.25) and then factor the resultant amount by 4.33 ($\$111.25 \times 4.33 = \481.71) (use the appropriate conversion factor for the payment frequency) to arrive at the monthly income amount for the next SAR Payment Period. If five pay periods were reported in the Data Month on the SAR 7, the county will add each week together and divide by five and then factor the resultant amount by 4.33.

(AR/CO) Example 1: The recipient reports on the SAWS 2 that four weekly paychecks were received in the following amounts: \$115, \$100, \$135, and \$95. The recipient also indicated on the SAWS 2 that his/her income is not expected to change during the next AR/CO Payment Period compared to the income reported on the SAWS 2. The county will add the four

weeks of income together (\$115+100+135+95=\$445), divide by four (\$445/4=\$111.25) and then factor the resultant amount by 4.33 (\$111.25 x 4.33=\$481.71) (use the appropriate conversion factor for the payment frequency) to arrive at the monthly income amount for the next AR/CO Payment Period. If five pay periods were reported in the Data Month on the SAWS 2, the county will add each week together and divide by five and then factor the resultant amount by 4.33.

(QR) Example 2: ~~The QR Payment Quarter is January/February/March. The recipient indicated on the QR 7 that weekly income of \$100 was received in the Data Month and marks on the QR 7 that this income amount will not continue during the upcoming QR Payment Quarter. The county consults with the recipient and finds out that the recipient anticipated a change in income because he/she hopes to get a new job in the next quarter but has no firm offer. The recipient states that if he/she does not get a new job, he/she will continue at the current job throughout the next quarter making the same amount. Due to the speculative nature of the new job and the recipient's statement regarding the current job, the county determines that the income reported in the Data Month on the QR 7 is reasonably anticipated to continue during the next quarter. Therefore, the county would apply the conversion factor of 4.33 to the \$100 weekly amount to arrive at the monthly income amount for the next QR Payment Quarter. (In this example, because the \$100 weekly amount remains the same for each pay period, the step requiring that the weekly amounts be added together and divided by the number of pay periods is not necessary.)~~

(SAR) Example 2: A recipient indicates on the SAR 7 that weekly income of \$100 was received in the Data Month and explains on the SAR 7 that this income amount will not continue during the upcoming SAR Payment Period because the recipient hopes to get a new job soon but has no firm offer. Due to the speculative nature of the new job, the county determines that the income reported in the Data Month on the SAR 7 is reasonably anticipated to continue during the next

SAR Payment Period. Therefore, the county would apply the conversion factor of 4.33 to the \$100 weekly amount to arrive at the monthly income amount of \$433 for the next SAR Payment Period. (In this example, because the \$100 weekly amount remains the same for each pay period, the step requiring that the weekly amounts be added together and divided by the number of pay periods is not necessary.)

(ARCO) Example 2: A recipient indicates on the SAWS 2 that weekly income of \$100 was received in the Data Month and explains on the SAWS 2 that this income amount will not continue during the upcoming AR/CO Payment Period because the recipient hopes to get a new job soon but has no firm offer. Due to the speculative nature of the new job, the county determines that the income reported in the Data Month on the SAWS 2 is reasonably anticipated to continue during the next AR/CO Payment Period. Therefore, the county would apply the conversion factor of 4.33 to the \$100 weekly amount to arrive at the monthly income amount of \$433 for the next AR/CO Payment Period. (In this example, because the \$100 weekly amount remains the same for each pay period, the step requiring that the weekly amounts be added together and divided by the number of pay periods is not necessary.)

~~(QR) Example 3:~~ ~~The QR Payment Quarter is January/February/March. The recipient indicated on the QR 7 that bi-weekly income of \$200 was received in the Data Month and marks on the QR 7 that this income amount will increase to a bi-weekly income of \$250 and will remain the same for the entire next QR Payment Quarter. The county agrees with the recipient's QR 7 information and applies the 2.167 conversion factor to the \$250 bi-weekly amount to arrive at the monthly income amount for the next QR Payment Quarter. (In this example, because the \$250 weekly amount remains the same for each pay period, the step requiring that the bi-weekly amounts be added together and divided by the number of pay periods is not necessary.)~~

(SAR) Example 3: The SAR Payment Period is January through June. A recipient indicates on the May SAR 7 that bi-weekly income of \$200 was received in the Data Month and explains on the SAR 7 that this income amount will increase to a bi-weekly amount of \$250 beginning in the Submit Month of June and will continue at that amount. The county agrees with the recipient's SAR 7 information and applies the 2.167 conversion factor to the \$250 bi-weekly amount to arrive at the monthly income amount of \$541.75 for the next SAR Payment Period. (In this example, because the \$250 bi-weekly amount remains the same for each pay period, the step requiring that the bi-weekly amounts be added together and divided by the number of pay periods is not necessary.)

(ARCO) Example 3: The AR/CO Payment Period is July through June. A recipient indicates on the May SAWS 2 that bi-weekly income of \$200 was received in the Data Month and explains on the SAWS 2 that this income amount will increase to a bi-weekly amount of \$250 beginning in the Submit Month of June and will continue at that amount. The county agrees with the recipient's SAWS 2 information and applies the 2.167 conversion factor to the \$250 bi-weekly amount to arrive at the monthly income amount of \$541.75 for the next AR/CO Payment Period. (In this example, because the \$250 bi-weekly amount remains the same for each pay period, the step requiring that the bi-weekly amounts be added together and divided by the number of pay periods is not necessary.)

(SAR) Example 4: The SAR Payment Period is January through June. A recipient indicates on the June SAWS 2 that their current weekly income of \$150 will only continue through August, when their summer job will end. The county agrees with the recipient's SAWS 2 information and applies the 4.33 conversion factor to the \$150 weekly amount to arrive at the monthly income amount of \$649.50 for the months of July and August. No income will be used for the months of September through December.

(ARCO) Example 4: The AR/CO Payment Period is July through June. A recipient indicates on the June SAWS 2 that their

current weekly income of \$150 will only continue through August, when their summer job will end. The recipient does not anticipate any other income for the remainder of the AR/CO Payment Period, including next summer. The county agrees with the recipient's SAWS 2 information and applies the 4.33 conversion factor to the \$150 weekly amount to arrive at the monthly income amount of \$649.50 for the months of July and August. No income will be used for the months of September through June.

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(b) The average weekly and bi-weekly amounts arrived at above shall be converted to a monthly amount by using a 4.33 conversion factor for weekly payments and a 2.167 conversion factor for payments received bi-weekly.

~~(QR) (e) The conversion factors can only be used if reasonably anticipated weekly and bi weekly payments are reasonably anticipated to be paid throughout the entire QR Payment Quarter for each week or for every other week in the QR Payment Quarter. For reasonably anticipated income that is not paid weekly or bi weekly for one or more months of the QR Payment Quarter, the total monthly reasonably anticipated income amounts shall be added together and averaged over the months of the QR Payment Quarter, by adding each month total income and dividing by the number of months in the QR payment quarter.~~

(SAR) (c) The conversion factors can only be used if weekly or bi-weekly payments are reasonably anticipated to continue throughout the SAR Payment Period.

(AR/CO) (c) The conversion factors can only be used if weekly or bi-weekly payments are reasonably anticipated to continue throughout the AR/CO Payment Period.

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(QR) Example: The recipient reports on the QR 7 that she is paid on a weekly basis except she only works three weeks in a month and indicates that this frequency of pay will remain the same throughout the next QR Payment

~~Quarter and will remain unchanged throughout the next QR Payment Quarter. She is typically paid \$115, \$100, and \$135. The county will add the three weeks of income together to arrive at a reasonably anticipated monthly income for the next QR Payment Quarter. Since income is not paid every week of the QR Payment Quarter, the conversion factor cannot be applied.~~

(SAR) Example: The recipient reports on the SAR 7 that she is paid on a weekly basis except she only works three weeks in a month and indicates that this frequency of pay will remain the same throughout the next SAR Payment Period and will remain unchanged throughout the next SAR Payment Period. She is typically paid \$115, \$100, and \$135. The county will add the three weeks of income together ($\$115 + \$100 + \$135 = \350) to arrive at a reasonably anticipated monthly income for the next SAR Payment Period. Since income is not paid every week of the SAR Payment Period, the conversion factor cannot be applied.

(AR/CO) Example: The recipient reports on the SAWS 2 that she is paid on a weekly basis except she only works three weeks in a month and indicates that this frequency of pay will remain the same throughout the next AR/CO Payment Period and will remain unchanged throughout the next AR/CO Payment Period. She is typically paid \$115, \$100, and \$135. The county will add the three weeks of income together ($\$115 + \$100 + \$135 = \350) to arrive at a reasonably anticipated monthly income for the next AR/CO Payment Period. Since income is not paid every week of the AR/CO Payment Period, the conversion factor cannot be applied.

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(QR) (d) ~~Monthly/
Semi-Monthly Payments~~ For income that is received monthly or semi-monthly (two times a month) and is expected to continue, the county shall use the total monthly income amount reported on the QR 7 for the QR Data Month to calculate cash aid for the next QR Payment Quarter. The conversion factors shall not

~~be used for income that is received monthly or semi-monthly.~~

(SAR) (d) Monthly/
Semi-Monthly Payments For income that is received monthly or semi-monthly (two times a month) and is expected to continue, the county shall use the total monthly income amount reported on the SAR 7 or the SAWS 2 for the SAR Data Month to calculate cash aid for the next SAR Payment Period. The conversion factors shall not be used for income that is received monthly or semi-monthly.

(ARCO) (d) Monthly/
Semi-Monthly Payments For income that is received monthly or semi-monthly (two times a month) and is expected to continue, the county shall use the total monthly income amount reported on the SAWS 2 for the AR/CO Data Month to calculate cash aid for the next AR/CO Payment Period. The conversion factors shall not be used for income that is received monthly or semi-monthly.

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~~(QR) Example: The recipient reports on the QR 7 that monthly income of \$500 received in the QR Data Month will continue for the QR Payment Quarter. The county shall use the \$500 monthly income total to calculate cash aid.~~

(SAR) Example: The recipient reports on the SAWS 2 that monthly income of \$500 received in the SAR Data Month will continue for the SAR Payment Period. The county shall use the \$500 monthly income total to calculate cash aid.

(ARCO) Example: The recipient reports on the SAWS 2 that monthly income of \$500 received in the AR/CO Data Month will continue for the AR/CO Payment Period. The county shall use the \$500 monthly income total to calculate cash aid.

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(QR) .316 Income Expected to Be Different For income that is reasonably anticipated to be different for one or more months of the QR Payment Quarter, the monthly income amounts

~~shall be averaged over the months of the QR Payment Quarter by adding each month's total income and dividing that total by the number of months in the QR Payment Quarter.~~

~~(QR) If this income is paid on a weekly or bi-weekly basis, the county shall determine the number of pay periods and their amounts reasonably anticipated to be received during each month of the QR Payment Quarter to compute the reasonably anticipated income total for each month.~~

(SAR) .316 Income Expected to Change For income that is reasonably anticipated to change during the SAR Payment Period, the current monthly income amount shall be used to calculate the grant for the months in which it is reasonably anticipated to be received. When a change in income is reported, the new amount of income shall be used to calculate the grant for the months of the SAR Payment Period in which it is reasonably anticipated to be received.

(SAR) If this income is paid on a weekly or bi-weekly basis, the county shall convert the income into a monthly amount as described in Section 44-315.315(a)(SAR) to compute the reasonably anticipated income to use for each month of the SAR Payment Period.

(ARCO) .316 Income Expected to Change For income that is reasonably anticipated to change during the AR/CO Payment Period, the current monthly income amount shall be used to calculate the grant for the months in which it is reasonably anticipated to be received. When a change in income is reported, the new amount of income shall be used to calculate the grant for the months of the AR/CO Payment Period in which it is reasonably anticipated to be received.

(ARCO) If this income is paid on a weekly or bi-weekly basis, the county shall convert the income into a monthly amount as described in Section 44-315.315(a)(AR/CO) to compute the reasonably anticipated income to use for each month of the AR/CO Payment Period.

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~~(QR) Example: A recipient is in a January/February/March quarter. The recipient indicated on the QR 7 that weekly income of \$100 per week was received in the QR Data Month and that this income will not continue during the April/May/June quarter. The county consults with the recipient and determines that the \$100 per week pay will only be received until the second week of May. The recipient will begin a new job on June 1 and anticipates receiving a monthly income of \$500. There are five pay periods in April, and four pay periods in May.~~

~~Once the monthly income amounts for each month of the QR Payment Quarter have been determined, add the reasonably anticipated income for each month of the quarter and divide by the number of months in the QR Payment Quarter to arrive at a reasonably anticipated monthly income. The county shall use the reasonably anticipated monthly income to calculate cash aid for the QR Payment Quarter.~~

~~The county will compute income for the new quarter as follows:~~

April	\$500
May	\$200
June	\$500
Total Quarter income	\$1200

~~The reasonably anticipated monthly income is \$400 (\$1200 divided by the number of months in the QR Payment Quarter).~~

~~The reasonably anticipated income for each month of the QR Payment Quarter \$400.~~

(SAR) Example: A recipient is in a January through June SAR Payment Period. The recipient indicates on the June SAR 7 that weekly income of \$100 per week was received in the SAR Data Month and that this income will increase to \$150 per week beginning in August.

The \$100 weekly income will be converted to a monthly amount ($\$100 \times 4.33 = \433) and used to determine the benefit amount for the month of July.

The \$150 weekly income will be converted to a monthly amount ($\$150 \times 4.33 = \649^*) and used to determine the benefit amount for the remaining months of the SAR Payment Period (August through December).

*50% Earned Income Disregard and Net non-exempt income must be rounded down to the nearest dollar amount per MPP Section 44-315.34.

(AR/CO) Example:

A recipient is in a July through June AR/CO Payment Period. The recipient indicates on the June SAWS 2 that weekly income of \$100 per week was received in the AR/CO Data Month and that this income will increase to \$150 per week beginning in August.

The \$100 weekly income will be converted to a monthly amount ($\$100 \times 4.33 = \433) and used to determine the benefit amount for the month of July.

The \$150 weekly income will be converted to a monthly amount ($\$150 \times 4.33 = \649^*) and used to determine the benefit amount for the remaining months of the AR/CO Payment Period (August through June).

*50% Earned Income Disregard and Net non-exempt income must be rounded down to the nearest dollar amount per MPP Section 44-315.34.

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| (SAR) (a) | Income Expected to Fluctuate after Data Month | If an AU/household's monthly income fluctuates or they expect the income received in the Data Month to change in the upcoming SAR Payment Period, the CWD must attempt to find out the amount of income the AU/household reasonably expects to receive, in order to determine what income, if any, can be reasonably anticipated and used in the next SAR Payment Period's benefit calculation. Only that portion of income that the |
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AU/household reasonably anticipates it will receive can be used in the benefit calculation.

New income cannot be anticipated unless the AU/household is reasonably certain of the amount of income and the start date. If an AU/household reports that they expect their income to change or stop, but are uncertain of when or by how much, the CWD cannot reasonably anticipate this change. However, if the recipient states that the Data Month income is not typical, explains why, and lists an estimate of future income, barring any information to the contrary, the recipient's estimate of future income should be used. Additionally, if the recipient states that their income fluctuates so much that they can't anticipate any income, no income will be counted. If the CWD disagrees that the income is too unpredictable to anticipate, it must explore with the applicant or recipient what amount, if any, can be reasonably anticipated and document the basis for the amount used in the case narrative.

(AR/CO) (a)

Income
Expected to
Fluctuate
after Data
Month

If an AU/household's monthly income fluctuates or they expect the income received in the Data Month to change in the upcoming AR/CO Payment Period, the CWD must attempt to find out the amount of income the AU/household reasonably expects to receive, in order to determine what income, if any, can be reasonably anticipated and used in the next AR/CO Payment Period's benefit calculation. Only that portion of income that the AU/household reasonably anticipates it will receive can be used in the benefit calculation.

New income cannot be anticipated unless the AU/household is reasonably certain of the amount of income and the start date. If an AU/household reports that they expect their income to change or stop, but are uncertain of when or by how much, the CWD cannot reasonably anticipate this change. However, if the recipient states that the Data Month income is not typical, explains why, and lists an estimate of future income, barring any information to the contrary, the recipient's estimate of future income should be used. Additionally, if the recipient states that their income fluctuates so much that they

can't anticipate any income, no income will be counted. If the CWD disagrees that the income is too unpredictable to anticipate, it must explore with the applicant or recipient what amount, if any, can be reasonably anticipated and document the basis for the amount used in the case narrative.

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(SAR) Example 1: Recipient provides a SAR 7 with four check stubs for the Data Month of varying amounts (\$50, \$150, \$75, and \$500). There were five weeks in that month, and for one week, he reports no earnings at all. He works on call and has no idea when he will be called in. The worker reviews the case and confirms that the recipient had periods of no income in the past. The worker then carefully documents the basis for being unable to reasonably anticipate *any* income, and budgets no income for the upcoming SAR Payment Period. The recipient must report income above the IRT in accordance with requirements, but any other mid-period income report is voluntary.

(SAR) Example 2: Using the same employment scenario as above, except that the recipient reports that he expects to earn at least \$150/month. The CWD shall accept this statement, unless there is a reason to find it questionable. The worker must document the basis for using the estimate or document the reason for using a different amount. (For example: Past earning history shows that the recipient has always earned at least that amount, and although there were periods of higher earnings, they were sporadic). The recipient must report income above the IRT in accordance with requirements, but any other mid-period income report is voluntary. The recipient can also report mid-period if his income does not reach \$150 and the grant amount shall be supplemented, as necessary.

(ARCO) Example 1: Recipient provides a SAWS 2 with four check stubs for the Data Month of varying amounts (\$50, \$150, \$75, and \$500). There were five weeks in that month, and for one week, he reports no earnings at all. He works on call and has no idea when he will

be called in. The worker reviews the case and confirms that the recipient had periods of no income in the past. The worker then carefully documents the basis for being unable to reasonably anticipate any income, and budgets no income for the upcoming AR/CO Payment Period. The recipient must report income above the IRT in accordance with requirements, but any other mid-period income report is voluntary.

(ARCO) Example 2: Using the same employment scenario as above, except that the recipient reports that he expects to earn at least \$150/month. The CWD shall accept this statement, unless there is a reason to find it questionable. The worker must document the basis for using the estimate or document the reason for using a different amount. (For example: Past earning history shows that the recipient has always earned at least that amount, and although there were periods of higher earnings, they were sporadic). The recipient must report income above the IRT in accordance with requirements, but any other mid-period income report is voluntary. The recipient can also report mid-period if his income does not reach \$150 and the grant amount shall be supplemented, as necessary.

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| (QR) | .317 | Determination of Aid Based on Mid-Quarter Changes | When a recipient mid-quarter report or a county initiated action changes the amount of cash aid, except as provided in Section 44-316.312(a)(3)(QR), the county shall determine the grant amount by adding the monthly income for the remaining months of the QR Payment Quarter then dividing by the number of months remaining in the QR Payment Quarter. The county shall use the reasonably anticipated monthly income to calculate cash aid for the remainder of the QR Payment Quarter. |
| (SAR) | .317 | Determination of Aid Based on Mid-Period Changes | When a recipient mid-period report or a county initiated action changes the amount of cash aid, except as provided in Section 44-316.312(a)(3) (SAR), the county shall determine the grant amount by determining the monthly income that is |

reasonably anticipated for each remaining month of the SAR Payment Period. The county shall use the reasonably anticipated monthly income to calculate cash aid for the remaining months of the SAR Payment Period.

(AR/CO) .317 Determination of Aid Based on Mid-Period Changes When a recipient mid-period report or a county initiated action changes the amount of cash aid, except as provided in Section 44-316.312(a)(3) (AR/CO), the county shall determine the grant amount by determining the monthly income that is reasonably anticipated for each remaining month of the AR/CO Payment Period. The county shall use the reasonably anticipated monthly income to calculate cash aid for the remaining months of the AR/CO Payment Period.

.32 "Family" MAP Determine the Maximum Aid Payment (MAP) for all family members whose needs are considered in the payment month. The MAP is set forth in Welfare and Institutions Code Section 11450.

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.321 MBSAC and MAP Levels***

(a) REGION 1 MBSAC/MAP STANDARDS

# in AU	MBSAC	EXEMPT MAP*	NONEXEMPT MAP*
1	\$576 <u>591</u>	\$351 <u>369</u>	\$317 <u>333</u>
2	\$943 <u>968</u>	\$577 <u>606</u>	\$516 <u>542</u>
3	\$1,169 <u>1,200</u>	\$714 <u>750</u>	\$638 <u>670</u>
4	\$1,387 <u>1,424</u>	\$849 <u>891</u>	\$762 <u>800</u>
5	\$1,584 <u>1,626</u>	\$966 <u>1,014</u>	\$866 <u>909</u>
6	\$1,781 <u>1,828</u>	\$1,086 <u>1,140</u>	\$972 <u>1,021</u>
7	\$1,957 <u>2,009</u>	\$1,192 <u>1,252</u>	\$1,069 <u>1,122</u>
8	\$2,131 <u>2,187</u>	\$1,301 <u>1,366</u>	\$1,164 <u>1,222</u>
9	\$2,311 <u>2,372</u>	\$1,405 <u>1,475</u>	\$1,258 <u>1,321</u>
10 or more**	\$2,509 <u>2,575</u>	\$1,510 <u>1,586</u>	\$1,351 <u>1,419</u>

REGION 2 MBSAC/MAP STANDARDS

# in AU	MBSAC	EXEMPT MAP*	NONEXEMPT MAP*
1	\$ <u>546 560</u>	\$ <u>334 351</u>	\$ <u>300 315</u>
2	\$ <u>896 920</u>	\$ <u>550 578</u>	\$ <u>490 515</u>
3	\$ <u>1,110 1,139</u>	\$ <u>681 715</u>	\$ <u>608 638</u>
4	\$ <u>1,320 1,355</u>	\$ <u>809 849</u>	\$ <u>725 761</u>
5	\$ <u>1,507 1,547</u>	\$ <u>923 969</u>	\$ <u>825 866</u>
6	\$ <u>1,694 1,739</u>	\$ <u>1,035 1,087</u>	\$ <u>926 972</u>
7	\$ <u>1,858 1,907</u>	\$ <u>1,137 1,194</u>	\$ <u>1,016 1,067</u>
8	\$ <u>2,028 2,082</u>	\$ <u>1,239 1,301</u>	\$ <u>1,109 1,164</u>
9	\$ <u>2,191 2,249</u>	\$ <u>1,340 1,407</u>	\$ <u>1,198 1,258</u>
10 or more**	\$ <u>2,386 2,449</u>	\$ <u>1,439 1,511</u>	\$ <u>1,286 1,350</u>

* See MPP Section 89-110.2 for definition of Exempt and Nonexempt AUs.

** For MBSAC add twenty two dollars (\$22) for each additional needy person.

*** MBSAC Levels effective 07/01/~~12~~13, MAP Levels effective ~~07/01/11~~ 03/01/14, MBSAC levels are subject to annual Cost of Living Adjustments. MAP levels are subject to change. (See Welfare and Institutions Code Sections 11450, 11452, and 11453.)

REGION 1 COUNTIES

REGION 2 COUNTIES

Alameda	Orange	Santa Clara	Alpine	Lake	San Bernardino
Contra Costa	San Diego	Santa Cruz	Amador	Lassen	San Joaquin
Los Angeles	San Francisco	Solano	Butte	Madera	Shasta
Marin	San Luis Obispo	Sonoma	Calaveras	Mariposa	Sierra
Monterey	San Mateo	Ventura	Colusa	Mendocino	Siskiyou
Napa	Santa Barbara		Del Norte	Merced	Stanislaus
			El Dorado	Modoc	Sutter
			Fresno	Mono	Tehama
			Glenn	Nevada	Trinity
			Humboldt	Placer	Tulare
			Imperial	Plumas	Tuolumne
			Inyo	Riverside	Yolo
			Kern	Sacramento	Yuba
			Kings	San Benito	

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- .33 Add Special Need Payment (Continued)
- .38 Actual Grant Amount The actual grant amount is the lesser of the potential grant amount or the sum of the MAP plus special needs for the AU only.

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.381 (Continued)

.39 Computation Examples Handbook Section 44-315.39(QR) shall become inoperative and Handbook Section 44-315.39(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.

(QR) Computation of Monthly Grant Amount for the QR Payment Quarter when the AU's Income Reported for the QR Data Month is Expected to Continue for Each Month of the QR Payment Quarter

Example 1:

A nonexempt family of four (a pregnant mom, stepfather (father of the unborn) and her two separate children) are in a July, August, and September Quarter. The stepfather has gross earned income of \$775 per month, with no other income and no reasonably anticipated changes in income for the QR Payment Quarter. The family lives in Region 1.

\$ 775	Reasonably Anticipated Monthly Earned Income for the Family
<u>-112</u>	\$112 Income Disregard
\$ 663	Subtotal
<u>-331</u>	50% Earned Income Disregard*
\$ 331	Total Net Nonexempt Income*

\$ 762	"Family" MAP for Four (mother, stepfather and two children) Region 1
<u>+47</u>	Special Needs AU (third trimester of pregnancy)
\$ 809	Total (MAP plus special needs)
<u>-331</u>	Net Nonexempt Income
\$ 478	Potential Grant

\$ 638	Nonexempt AU MAP for Three (Region 1)
<u>+47</u>	Special Needs for AU
\$ 685	Total MAP plus Special Needs

\$ 478 Actual Grant Amount (lesser of potential grant or AU MAP plus special needs)

* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP Section 44-315.34

(SAR) Computation of monthly grant amount for the SAR Payment Period when the AU's income reported for the SAR Data Month is expected to continue for the upcoming SAR Payment Period.

Example 1:

A nonexempt family of four (a pregnant mom, stepfather (father of the unborn) and her two separate children) are in a July through December SAR Payment Period. The stepfather reports receiving gross earned income of \$775 in the Data Month of November. The AU has no other income and does not reasonably anticipate any changes in income for the upcoming SAR Payment Period. The family lives in Region 1.

\$ 775	Reasonably Anticipated Monthly Earned Income for the Family
- 112 225	\$112 225 Income Disregard
\$ 663 550	Subtotal
- 331 275	50% Earned Income Disregard*
\$ 331 275	Total Net Nonexempt Income*
\$ 762 800	"Family" MAP for Four (mother, stepfather and two children) Region 1
+ 47	Special Needs AU (third trimester of pregnancy)
\$ 809 847	Total (MAP plus special needs)
- 331 275	Net Nonexempt Income
\$ 478 572	Potential Grant
\$ 638 670	Nonexempt AU MAP for Three (Region 1)
+ 47	Special Needs for AU
\$ 685 717	Total MAP plus Special Needs
\$ 478 572	Actual Grant Amount (lesser of potential grant or AU MAP plus special needs)

* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP Section 44-315.34

(ARCO) Computation of monthly grant amount for the AR/CO Payment Period when the AU's income reported for the AR/CO Data Month is expected to continue for the upcoming AR/CO Payment Period.

Example 1:

A nonexempt family of four (timed-out mom, stepfather and her two separate children) are in a July through June AR/CO Payment Period. The stepfather

reports receiving gross earned income of \$775 in the Data Month of June. The AU has no other income and does not reasonably anticipate any changes in income for the upcoming AR/CO Payment Period. The family lives in Region 1.

<u>\$ 775</u>	<u>Reasonably Anticipated Monthly Earned Income for the Family</u>
<u>- 225</u>	<u>\$ 225 Income Disregard</u>
<u>\$ 550</u>	<u>Subtotal</u>
<u>- 275</u>	<u>50% Earned Income Disregard*</u>
<u>\$ 275</u>	<u>Total Net Nonexempt Income*</u>

<u>\$ 670</u>	<u>"Family" MAP for Three (stepfather and two children) Region 1</u>
<u>+ 9</u>	<u>Special Needs AU (Therapeutic Diet for one child)</u>
<u>\$ 679</u>	<u>Total (MAP plus special needs)</u>
<u>- 275</u>	<u>Net Nonexempt Income</u>
<u>\$ 404</u>	<u>Potential Grant</u>

<u>\$ 542</u>	<u>Nonexempt AU MAP for Two (Region 1)</u>
<u>+ 9</u>	<u>Special Needs for AU</u>
<u>\$ 551</u>	<u>Total MAP plus Special Needs</u>

<u>\$ 404</u>	<u>Actual Grant Amount (lesser of potential grant or AU MAP plus special needs)</u>
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* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP Section 44-315.34

~~(QR) Computation of Monthly Grant Amount for the QR Payment Quarter when the AU's Income Reported for the QR Data Month is Expected to Differ for One or More Months of the QR Payment Quarter.~~

~~Example 2:~~

~~A Region 1 nonexempt AU of four is in the October/November/December quarter. Mother submits the QR 7 for November to the county on December 10. On the QR 7, she reports that she started a part-time job in December that will only last until the end of January, when the holiday shopping season has ended. She reports that she will get paid \$900 in January and \$800 in February. One child is also receiving SSA disability benefits of \$100 per month based on an absent father's disability. SSA disability benefits are considered disability-based unearned income (DBI).~~

~~Benefits for the January/February/ March quarter are computed based on the income the AU reasonably anticipates it will receive during that quarter as follows:~~

\$ 100	Monthly DBI
\$ 900	Reasonably Anticipated Earned Income for January
+ 800	Reasonably Anticipated Earned Income for February
+ 0	Reasonably Anticipated Earned Income for March
\$1700	Subtotal Reasonably Anticipated Earned Income for Quarter
\$ 566	Reasonably Anticipated Earned Income Divided by the Number of Months in the QR Payment Quarter $1700/3 =$ (averaged monthly earnings)*
\$ 100	Reasonably Anticipated Monthly DBI Income
<u>— 225</u>	Less DBI Disregard
<u>— 0</u>	Net DBI Income
\$ 125	Remainder of \$225 DBI Disregard
\$ 566	Reasonably Anticipated Monthly Earned Income*
<u>— 112</u>	Less remainder of \$225/112 Income Disregard
\$ 454	Subtotal*
<u>— 227</u>	Less 50% Earned Income Disregard*
\$ 227	NNI*
\$ 762	MAP for AU of Four
<u>— 227</u>	Less NNI
\$ 535	New Monthly Grant for the QR Payment Quarter

~~* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP Section 44-315.34~~

(SAR) Computation of monthly grant amount for a SAR Payment Period when the AU's income reported for the SAR Data Month is reasonably anticipated to differ for one or more months of the SAR Payment Period.

Example 2:

A Region 1 nonexempt AU of four is in the July through December SAR Payment Period. Mother completes her redetermination on December 15. On the SAWS 2, she reports that she started a part-time job in December that will only last until the end of January, when the holiday shopping season has ended. She reports that she will get paid \$900 in January and \$450 in February. One child is also receiving SSA disability benefits of \$100 per month based on an absent father's disability. SSA disability benefits are considered disability based unearned income (DBI).

Benefits for the January through July SAR Payment Period are computed based on the income the AU reasonably anticipates it will receive during that period as follows:

Benefits for January will be computed based on earned income of \$900 and DBI of \$100 per month:

\$ 100	Reasonably Anticipated Monthly DBI Income
<u>- 225</u>	Less DBI Disregard
0	Net DBI Income
\$ 125	Remainder of \$225 DBI Disregard
\$ 900	Reasonably Anticipated Monthly Earned Income
<u>- 112 125</u>	Less remainder of \$225/ 112 Income Disregard
\$ 788 <u>775</u>	Subtotal
<u>- 394 387</u>	Less 50% Earned Income Disregard*
\$ 394 <u>387</u>	NNI*
\$ 762 <u>800</u>	MAP for AU of Four
<u>- 394 387</u>	Less NNI*
\$ 368 <u>413</u>	Monthly Grant for January

* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP Section 44-315.34

Benefits for February will be computed based on earned income of \$450 and DBI of \$100 per month:

\$ 100	Reasonably Anticipated Monthly DBI Income
<u>- 225</u>	Less DBI Disregard
0	Net DBI Income
\$ 125	Remainder of \$225 DBI Disregard
\$ 450	Reasonably Anticipated Monthly Earned Income
<u>- 112 125</u>	Less remainder of \$225/ 112 Income Disregard
\$ 338 <u>325</u>	Subtotal
<u>- 169 162</u>	Less 50% Earned Income Disregard*
\$ 169 <u>162</u>	NNI*
\$ 762 <u>800</u>	MAP for AU of Four
<u>- 169 162</u>	Less NNI*
\$ 593 <u>638</u>	Monthly Grant for February

* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP Section 44-315.34

Benefits for March through June will be computed based on earned income of \$0 and DBI of \$100 per month:

\$ 100	Reasonably Anticipated Monthly DBI Income
<u>- 225</u>	Less DBI Disregard
0	Net DBI Income
\$ 0	Reasonably Anticipated Monthly Earned Income
\$ 0	NNI

\$ 762 <u>800</u>	MAP for AU of Four
<u>- 0</u>	Less NNI
\$ 762 <u>800</u>	Monthly Grant for March through June

(AR/CO) Computation of monthly grant amount for an AR/CO Payment Period when the AU's income reported for the AR/CO Data Month is reasonably anticipated to differ for one or more months of the AR/CO Payment Period.

Example 2:

A Region 1 nonexempt child-only AU of four is in the January through December AR/CO Payment Period. Mother completes her redetermination on December 15. On the SAWS 2, she reports that she started a part-time job in December that will only last until the end of January, when the holiday shopping season has ended. She reports that she will get paid \$900 in January and \$450 in February. One child is also receiving SSA disability benefits of \$100 per month based on an absent father's disability. SSA disability benefits are considered disability based unearned income (DBI).

Benefits for the January through December AR/CO Payment Period are computed based on the income the AU reasonably anticipates it will receive during that period as follows:

Benefits for January will be computed based on earned income of \$900 and DBI of \$100 per month:

<u>\$ 100</u>	<u>Reasonably Anticipated Monthly DBI Income</u>
<u>- 225</u>	<u>Less DBI Disregard</u>
<u>0</u>	<u>Net DBI Income</u>
<u>\$ 125</u>	<u>Remainder of \$225 DBI Disregard</u>

\$ 900	<u>Reasonably Anticipated Monthly Earned Income</u>
- 125	<u>Less remainder of \$225 Income Disregard</u>
\$ 775	<u>Subtotal</u>
- 387	<u>Less 50% Earned Income Disregard*</u>
\$ 387	<u>NNI*</u>

\$ 800	<u>MAP for AU of Four</u>
- 387	<u>Less NNI*</u>
\$ 413	<u>Monthly Grant for January</u>

* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP Section 44-315.34

Benefits for February will be computed based on earned income of \$450 and DBI of \$100 per month:

\$ 100	<u>Reasonably Anticipated Monthly DBI Income</u>
- 225	<u>Less DBI Disregard</u>
0	<u>Net DBI Income</u>
\$ 125	<u>Remainder of \$225 DBI Disregard</u>

\$ 450	<u>Reasonably Anticipated Monthly Earned Income</u>
- 125	<u>Less remainder of \$225 Income Disregard</u>
\$ 325	<u>Subtotal</u>
- 162	<u>Less 50% Earned Income Disregard*</u>
\$ 162	<u>NNI*</u>

\$ 800	<u>MAP for AU of Four</u>
- 162	<u>Less NNI*</u>
\$ 638	<u>Monthly Grant for February</u>

* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP Section 44-315.34

Benefits for March through December will be computed based on earned income of \$0 and DBI of \$100 per month:

\$ 100	<u>Reasonably Anticipated Monthly DBI Income</u>
- 225	<u>Less DBI Disregard</u>
0	<u>Net DBI Income</u>
\$ 0	<u>Reasonably Anticipated Monthly Earned Income</u>
\$ 0	<u>NNI</u>

\$ 800	<u>MAP for AU of Four</u>
<u>- 0</u>	<u>Less NNI</u>
\$ 800	<u>Monthly Grant for March through December</u>

~~(QR) Mid-Quarter Changes to Cash Aid~~

~~Example 3:~~

~~A Region 1 nonexempt AU of three (mother and two children) is in the October, November, and December quarter. On her previous QR 7 received in September, (QR Data Month for the previous quarter was August), mother reported her earned income to be \$600 and that she expected no changes for the next QR Payment Quarter.~~

\$ 600	Reasonably Anticipated Monthly Income for the Family
<u>-112</u>	\$112 Earned Income Disregard
\$ 488	Subtotal
<u>-244</u>	50% Earned Income Disregard
\$ 244	Total Net Nonexempt Income [Rounded down]

\$ 638	Non-exempt MAP for Three, Region 1
<u>-244</u>	Less Net Nonexempt Income
\$ 394	AU Monthly Grant for the QR Payment Quarter

~~On October 25, the mother voluntarily reports that the father, with no income, moved into the home on October 24. The father is determined eligible and is reasonably anticipated to have monthly income of \$200 for November and \$100 for December.~~

~~The Mid-Quarter Grant Calculation for the Remaining Months of the Quarter Would Be:~~

\$ 200	Father's Reasonably Anticipated Earned Income for November
<u>+100</u>	Father's Reasonably Anticipated Earned Income for December
\$ 300	Subtotal Reasonably Anticipated Earned Income for the Remainder of the Payment Quarter

\$ 150	Father's Earned Income Divided by the Remaining Months of the QR Payment Quarter $\$300/2 = \150 (reasonably anticipated monthly income)
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\$ 600	Existing AU's Previously Determined Reasonably Anticipated Monthly Earned Income (not recalculated)
<u>+150</u>	Father's Reasonably Anticipated Earned Monthly Income
\$ 750	Total Net Nonexempt Income for the Potential AU
<u>-112</u>	\$112 Earned Income Disregard

\$ 638	Subtotal
— 319	50% Earned Income Disregard
\$ 319	Total Net Nonexempt Averaged Income
\$ 762	Non-exempt MAP for Four, Region 1 (includes eligible father)
— 319	Less Net Nonexempt Income
\$ 443	AU Monthly Grant Payment for the Remaining Months of the QR Payment Quarter

Father is added to the existing AU effective November 1 since his addition to the AU will increase the cash aid. A supplement of \$49 is issued to the AU for November and the grant is increased to \$443 for the month of December.

(SAR) Mid-Period Changes to Cash Aid

Example 3:

A Region 1 nonexempt AU of three (mother and two children) is in the October through March SAR Payment Period. On her previous SAWS 2 received in September, (SAR Data Month for the previous SAR Payment Period was August), mother reported her earned income to be \$600 and that she expected no changes for the next SAR Payment Period. The grant amount for the SAR Payment Period was calculated as follows:

\$ 600	Reasonably Anticipated Monthly Income for the Family
- 112 225	\$112 225 Earned Income Disregard
\$ 488 375	Subtotal
- 244 187	50% Earned Income Disregard*
\$ 244 187	Total Net Nonexempt Income* {Rounded down}
\$ 638 670	Non-exempt MAP for Three, Region 1
- 244 187	Less Net Nonexempt Income*
\$ 394 483	AU Monthly Grant for the SAR Payment Period

* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP Section 44-315.34

On November 25, the mother voluntarily reports that the father moved into the home on November 12. The father is determined eligible and is reasonably anticipated to have monthly income of \$200 a month.

The Mid-Period Grant Calculation for the Remaining Months of the SAR Payment Period Would Be:

\$ 600	Existing AU's Previously Determined Reasonably Anticipated Monthly Earned Income
+ 200	Father's Reasonably Anticipated Earned Monthly Income
\$ 800	Total Net Nonexempt Income for the Potential AU
- <u>412 225</u>	<u>\$412 225</u> Earned Income Disregard
\$ <u>688 575</u>	Subtotal
- <u>344 287</u>	50% Earned Income Disregard*
\$ <u>344 287</u>	Total Net Nonexempt Monthly Income*
\$ <u>762 800</u>	Non-exempt MAP for Four, Region 1 (includes eligible father)
- <u>344 287</u>	Less Net Nonexempt Income*
\$ <u>418 513</u>	AU Monthly Grant Payment for the Remaining Months of the SAR Payment Period

* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP Section 44-315.34

Father is added to the existing AU effective December 1 since his addition to the AU will increase the cash aid. Because there is not time to increase the December grant, a supplement of \$24 30 is issued to the AU for December and the grant is increased to \$418 513 for the remaining months of the SAR Payment Period.

(AR/CO) Mid-Period Changes to Cash Aid

Example 3:

A Region 1 nonexempt AU of three (timed out mother and three children) is in the October through September AR/CO Payment Period. On her previous SAWS 2 received in September, (AR/CO Data Month for the previous AR/CO Payment Period was August), mother reported her earned income to be \$600 and that she expected no changes for the next AR/CO Payment Period. The grant amount for the AR/CO Payment Period was calculated as follows:

\$ 600	Reasonably Anticipated Monthly Income for the Family
- <u>225</u>	<u>\$225</u> Earned Income Disregard
\$ <u>375</u>	Subtotal
- <u>187</u>	50% Earned Income Disregard*
\$ <u>187</u>	Total Net Nonexempt Income*
\$ <u>670</u>	Non-exempt MAP for Three, Region 1
- <u>187</u>	Less Net Nonexempt Income*
\$ <u>483</u>	AU Monthly Grant for the AR/CO Payment Period

* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP Section 44-315.34

On November 25, the mother reports her monthly earned income has decreased to \$500 and she does not expect any changes for the remainder of the AR/CO Payment Period.

The Mid-Period Grant Calculation for the Remaining Months of the AR/CO Payment Period Would Be:

<u>\$ 500</u>	<u>Reasonably Anticipated Monthly Income for the Family</u>
<u>- 225</u>	<u>\$225 Earned Income Disregard</u>
<u>\$ 275</u>	<u>Subtotal</u>
<u>- 137</u>	<u>50% Earned Income Disregard*</u>
<u>\$ 137</u>	<u>Total Net Nonexempt Income*</u>
<u>\$ 670</u>	<u>Non-exempt MAP for Three, Region 1</u>
<u>- 137</u>	<u>Less Net Nonexempt Income*</u>
<u>\$ 533</u>	<u>AU Monthly Grant Payment for the Remaining Months of the AR/CO Payment Period</u>

* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP Section 44-315.34

The change in monthly grant will be effective December 1. Because there is not time to increase the December grant, a supplement of \$50 is issued to the AU for December and the grant is increased to \$533 for the remaining months of the AR/CO Payment Period.

HANDBOOK ENDS HERE

.4 Special Needs (Continued)

Authority cited: Sections 10553, 10554, 11209, 11450, 11450(g), 11450.018(a) and (b), 11452.018(a), and 11453, Welfare and Institutions Code; SB 72 (Chapter 8, Statutes of 2011), Section 42.

Reference: Sections 10553, 10554, 11004, 11017, 11209, 11253.5(d) and (e), 11254, 11265.2, 11265.3, 11265.46, 11265.8(a), 11323.4, 11450, 11450(g), 11450.01, 11450.015, 11450.018(a) and (b), 11451.018(a), 11450.03, 11450.5, 11451.5, 11452, 11453, and 11453(a), Welfare and Institutions Code; Federal Register, Vol. 75, No. 19, dated January 29, 2010, pages 4928 and 4929 [7 CFR 273.12 (a)(1)(vii)].

Amend Section 44-316 to read:

44-316 REPORTING CHANGES AFFECTING ELIGIBILITY AND GRANT DETERMINATIONS AND COUNTY ACTIONS 44-316

.1 Reserved

~~.2 Sections 44-316.2(QR) et seq. shall become inoperative and Sections 44-316.2(SAR) et seq. shall become operative in a county on the date the SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Prior to the end of each QR Payment Quarter, the county shall request updated information from recipient families concerning all changes affecting eligibility and grant amount from the QR 7 Reporting Period and expected income changes in the next QR Payment Quarter.~~

(SAR) Prior to the end of each SAR Payment Period, the county shall request updated information from recipient families concerning all changes affecting eligibility and grant amount from the current SAR Payment Period and any known income changes in the next SAR Payment Period.

(ARCO) Prior to the end of each AR/CO Payment Period, the county shall request updated information from recipient families concerning all changes affecting eligibility and grant amount from the current AR/CO Payment Period and any known income changes in the next AR/CO Payment Period.

~~(QR) .21 For all CalWORKs recipients, such information shall be reported on the QR 7. If the recipient fails to provide the report requested by the county by the deadline provided by Section 40-181.22(QR), then the recipient's grant will be terminated in accordance with Section 22-072.~~

(SAR) .21 For all CalWORKs recipients, such information shall be reported on the SAR 7 or the annual redetermination forms (SAWS 2). If the recipient fails to provide the report requested by the county by the deadline provided by Section 40-181.214 and Section 40-181.22(SAR), then the recipient's grant will be terminated in accordance with Section 22-072.

(ARCO) .21 For all CalWORKs recipients, such information shall be reported on the annual redetermination forms (SAWS 2). If the recipient fails to provide the report requested by the county by the deadline provided by Section 40-181.214, then the recipient's grant will be terminated in accordance with Section 22-072.

~~.22 The county shall use the QR 7 to determine continued eligibility as specified in Section 40-181.~~

- (SAR) .22 The county shall use the SAR 7 or SAWS 2 to determine continued eligibility as specified in Section 40-181.
- (ARCO) .22 The county shall use the SAWS 2 to determine continued eligibility as specified in Section 40-181.
- ~~(QR) .23~~ ~~Additionally, the county shall compare the QR 7 submitted for that QR Payment Quarter to all mid-quarter reports that were reported during that QR Payment Quarter to ensure that mid-quarter circumstances reported are consistent with the circumstances reported on the QR 7.~~
- (SAR) .23 Additionally, the county shall compare the SAR 7 or SAWS 2 submitted for that SAR Payment Period to all mid-period reports that were received during that SAR Payment Period to ensure that mid-period circumstances reported are consistent with the circumstances reported on the SAR 7 or SAWS 2.
- (ARCO) .23 Additionally, the county shall compare the SAWS 2 submitted for that AR/CO Payment Period to all mid-period reports that were received during that AR/CO Payment Period to ensure that mid-period circumstances reported are consistent with the circumstances reported on the SAWS 2.
- ~~(QR) .231~~ ~~Section 44-316.231(QR) shall become operative in a county on the date the QR/PB becomes effective in that county, pursuant to the Director's Declaration.~~
- ~~If the information reported on the QR 7 is inconsistent with the information provided in any mid-quarter reports made during the QR 7 Reporting Period, the county shall take action to resolve the discrepancy. The county shall first attempt to contact the recipient to resolve the discrepancy. If the county is unable to contact the recipient or obtain resolution from such contact, the QR 7 shall be considered incomplete.~~
- (SAR) .231 If the information reported on the SAR 7 or SAWS 2 is inconsistent with the information provided in any mid-period reports made during the SAR Reporting Payment Period, the county shall take action to resolve the discrepancy. The county shall first attempt to contact the recipient to resolve the discrepancy. If the county is unable to contact the recipient or obtain resolution from such contact, the SAR 7 or SAWS 2 shall be considered incomplete.
- (ARCO) .231 If the information reported on the SAWS 2 is inconsistent with the information provided in any mid-period reports made during the AR/CO Payment Period, the county shall take action to resolve the discrepancy. The county shall first attempt to contact the recipient to resolve the discrepancy. If the county is unable to contact the recipient or obtain resolution from such contact, the SAWS 2 shall be considered incomplete.

~~.3 Section 44-316.3(QR) et seq. shall become inoperative and Section 44-316.3(SAR) et seq. shall become operative in a county on the date the SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Mid-Quarter Actions~~

~~(QR) The county shall act on specified changes that occur mid-quarter. Mid-quarter changes to cash aid shall be acted on separately and sequentially under quarterly reporting/prospective budgeting and include:~~

~~(SAR) Mid-Period Actions~~

~~(SAR) The county shall act on specified changes that occur mid-period. Mid-period changes to cash aid shall be acted on separately and sequentially under semi-annual reporting/prospective budgeting rules and include:~~

~~(ARCO) Mid-Period Actions~~

~~(ARCO) The county shall act on specified changes that occur mid-period. Mid-period changes to cash aid shall be acted on separately and sequentially under annual reporting/prospective budgeting rules and include:~~

~~(QR) .31 Recipient Mid-Quarter Voluntary Reports~~

~~(QR) Recipients may voluntarily report verbally or in writing, changes in income and circumstances any time during the QR Payment Quarter. The county shall also accept a report of decreased income on the QR 7 as a voluntary mid-quarter report when the QR 7 is received in the Submit Month of the QR Payment Quarter. When a voluntary report of decreased income is received in the Submit Month, the county shall also treat this information as updated QR 7 income information (see Section 44-315.314(QR)) when determining cash aid for the next QR Payment Quarter. The county shall take action on voluntary reports that increase cash aid or the recipient requests voluntary discontinuance of aid. If the grant would decrease (for reasons other than a voluntary discontinuance of aid) or not change based on the voluntary report (except as provided in Section 44-318.152(a)(QR)), the county shall not take action to change the grant, but shall send a notice pursuant to Section 22-071.12(QR). Recipients must provide all verifications within ten days of a voluntary report prior to county action.~~

~~(SAR) .31 Recipient Mid-Period Voluntary Reports~~

~~(SAR) Recipients may voluntarily report verbally or in writing, changes in income and circumstances any time during the SAR Payment Period. The county shall also accept a report of decreased income on the SAR 7 or SAWS 2 as a voluntary mid-period report when the SAR 7 or SAWS 2 is received in the Submit Month of the~~

SAR Payment Period. When a voluntary report of decreased income is received in the Submit Month outside of the SAR 7 or SAWS 2 report, the county shall also treat this information as updated SAR 7 or SAWS 2 income information (see Section 44-315.314(SAR)) when determining cash aid for the next SAR Payment Period.

(SAR) The county shall take action on voluntary reports that increase cash aid or recipient requests to voluntarily discontinue their aid. If the grant would decrease (for reasons other than a voluntary discontinuance of aid) or not change based on the voluntary report (except as provided in Section 44-318.152(a)(SAR)), the county shall not take action to change the grant, but shall send a notice pursuant to Section 22-071.12(SAR). Recipients must provide all verifications within ten days of a voluntary report prior to county action.

(ARCO) 31 Recipient Mid-Period Voluntary Reports

(ARCO) Recipients may voluntarily report verbally or in writing, changes in income and circumstances any time during the AR/CO Payment Period. The county shall also accept a report of decreased income on the SAWS 2 as a voluntary mid-period report when the SAWS 2 is received in the Submit Month of the AR/CO Payment Period. When a voluntary report of decreased income is received in the Submit Month outside of the SAWS 2 report, the county shall also treat this information as updated SAWS 2 income information (see Section 44-315.314(AR/CO)) when determining cash aid for the next AR/CO Payment Period.

(ARCO) The county shall take action on voluntary reports that increase cash aid or recipient requests to voluntarily discontinue their aid. If the grant would decrease (for reasons other than a voluntary discontinuance of aid) or not change based on the voluntary report (except as provided in Section 44-318.152(a)(AR/CO)), the county shall not take action to change the grant, but shall send a notice pursuant to Section 22-071.12. Recipients must provide all verifications within ten days of a voluntary report prior to county action.

~~(QR) .311 When a voluntary report is made by the recipient regarding changes in income and/or circumstances during the QR Payment Quarter, the county must request verification in writing.~~

~~(QR) (a) If the recipient provides verification within 10 days of the voluntary mid-quarter report, the change is effective the first of the month following the voluntary report except as provided in Section 44-316.312(a)(4)(QR).~~

~~(QR) (b) If the recipient does not provide the necessary verification, the county shall send a No-Change NOA to the AU.~~

~~(QR) (e) If the recipient provides verification after the 10 days, the date the verification is provided shall be considered the date of a voluntary report.~~

(SAR) .311 When a voluntary report is made by the recipient regarding changes in income and/or circumstances during the SAR Payment Period, the county must request verification in writing, allowing 10 days.

(SAR) (a) If the recipient provides verification within the 10 days given in the request for verification notice, the change is effective the first of the month following the voluntary report except as provided in Section 44-316.312(a)(4)(SAR).

(SAR) (b) If the recipient does not provide the necessary verification, the county shall send a No Change NOA to the AU.

(SAR) (c) If the recipient provides verification after the 10 days, the date the verification is provided shall be considered the date of the voluntary report.

(ARCO) .311 When a voluntary report is made by the recipient regarding changes in income and/or circumstances during the AR/CO Payment Period, the county must request verification in writing, allowing 10 days.

(ARCO) (a) If the recipient provides verification within the 10 days given in the request for verification notice, the change is effective the first of the month following the voluntary report except as provided in Section 44-316.312(a)(4)(AR/CO).

(ARCO) (b) If the recipient does not provide the necessary verification, the county shall send a No Change NOA to the AU.

(ARCO) (c) If the recipient provides verification after the 10 days, the date the verification is provided shall be considered the date of the voluntary report.

.312 Recipient voluntary reports include, but are not limited to, the following:

(a) Decreases in Reasonably Anticipated Income

(1) When an AU voluntarily reports a decrease in income from the amount that was reasonably anticipated to be received, the county shall determine if the AU's cash aid will increase based on the changed income amount.

~~(QR)~~ (A) ~~When an AU receives income from more than one source, and reports that its income has decreased, only the income that experienced the decrease shall be recalculated for the current and remaining months of the quarter. The new grant amount shall be calculated using the existing averaged income that didn't change and the recalculated averaged income (the income that decreased).~~

(SAR) (A) When an AU receives income from more than one source, and reports that its income has decreased, only the income that experienced the decrease shall be recalculated for the current and remaining months of the SAR Payment Period. The new grant amount shall be calculated using the existing income that didn't change and the recalculated income (the income that decreased).

(ARCO) (A) When an AU receives income from more than one source, and reports that its income has decreased, only the income that experienced the decrease shall be recalculated for the current and remaining months of the AR/CO Payment Period. The new grant amount shall be calculated using the existing income that didn't change and the recalculated income (the income that decreased).

~~(QR)~~ ~~(B)~~ ~~When an AU consists of more than one person with income and one person experiences a decrease in income, only the changed income shall be recalculated. The new grant amount shall be based on that person's recalculated income along with the existing AUs averaged monthly income that did not change.~~

~~(SAR)~~ (B) When an AU consists of more than one person with income and one person experiences a decrease in income, only the changed income shall be recalculated. The new grant amount shall be based on that person's recalculated income along with the existing AUs reasonably anticipated monthly income that did not change.

(2) When cash aid would increase due to a voluntary reported decrease in reasonably anticipated monthly income, the

county shall determine a new monthly grant amount based on the report of decreased income.

~~(QR) (3) The county shall use the new reasonably anticipated income for the month in which the decreased income occurred or the month it was reported, whichever is later, and the reasonably anticipated monthly income for the remaining months of the QR Payment Quarter in recalculating cash aid for the month in which the change was reported and remaining months of the QR payment Quarter.~~

(SAR) (3) The county shall use the new reasonably anticipated income for the month in which the decreased income occurred or the month it was reported, whichever is later, and the reasonably anticipated monthly income determined for the rest of the SAR Payment Period in recalculating cash aid for the month in which the change was reported and remaining months of the SAR Payment Period.

(ARCO) (3) The county shall use the new reasonably anticipated income for the month in which the decreased income occurred or the month it was reported, whichever is later, and the reasonably anticipated monthly income determined for the rest of the AR/CO Payment Period in recalculating cash aid for the month in which the change was reported and remaining months of the AR/CO Payment Period.

~~(QR) (4) The county shall issue a supplement within ten days of receiving verification. The supplement shall be based on the difference between the recalculated cash aid and the cash aid that was paid for the month the decrease in income is reported or the month the change actually occurs whichever is later and when all verification has been provided (see Section 44-340.3(QR)).~~

(SAR) (4) The county shall issue a supplement within ten days of receiving verification. The supplement shall be based on the difference between the recalculated cash aid and the cash aid that was paid for the month the decrease in income is reported or the month the change actually occurs, whichever is later, and when all verification has been provided (see Section 44-340.3(SAR)).

(ARCO) (4) The county shall issue a supplement within ten days of receiving verification. The supplement shall be based on the difference between the recalculated cash aid and the

cash aid that was paid for the month the decrease in income is reported or the month the change actually occurs, whichever is later, and when all verification has been provided (see Section 44-340.3(AR/CO)).

~~(QR) (5) The county shall increase the grant amount for the remainder of the QR Payment Quarter based upon the newly calculated grant in Section 44-316.312(a)(3)(QR).~~

(SAR) (5) The county shall increase the grant amount for the remainder of the SAR Payment Period based upon the newly calculated grant in Section 44-316.312(a)(3)(SAR).

(ARCO) (5) The county shall increase the grant amount for the remainder of the SAR Payment Period based upon the newly calculated grant in Section 44-316.312(a)(3) (AR/CO).

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(QR) Example 1:

~~An exempt AU of three, in Region 1 is in the April/May/June quarter and is receiving a QR Payment Quarter grant of \$192 per month. The grant was based on the mother having reasonably anticipated earned income of \$1200 per month. On April 15, the mother reports that she lost her job and will only receive a \$600 paycheck for the month of April and anticipates no income for the remainder of the quarter. The county requests verification of the job loss and the recipient provides the necessary documentation by April 20. The county shall recalculate aid for QR Payment Quarter as follows:~~

\$ 600	April Actual Income
+ 0	May Reasonably Anticipated Income
+ 0	June Reasonably Anticipated Income
\$ 600	Earned Income for the Quarter
<u>: 3</u>	Earned Income Divided by Three
\$ 200	Reasonably Anticipated Monthly Income (month of report of decreased income plus the remaining months of the current QR Payment Quarter)
\$ 200	Reasonably Anticipated Monthly Income
<u>- 225</u>	Income Disregard
\$ 0	Subtotal
	50% Earned Income Disregard
\$ 0	Total Net Nonexempt Income

\$ 704	MAP for Three in Region 1(QR Payment Quarter monthly grant)
\$ 704	Potential Monthly Grant Amount
<u>—192</u>	Grant Already Received
\$ 512	Supplement

A supplement of \$512 is issued for the family for the month of April and the cash aid is increased to \$704 for May and June.

(SAR) Example 1:

A non-exempt AU of three, in Region 1 is in the April through September SAR Payment Period and is receiving a grant of \$94 per month. The grant was based on the mother having reasonably anticipated earned income of \$1,200 1,377 per month. On June 15, the mother reports that she lost her job and will only receive a \$600 paycheck for the month of June and anticipates no income for the remainder of the SAR Payment Period. The county requests verification of the job loss and the recipient provides the necessary documentation by June 20. The county shall recalculate her aid for the SAR Payment Period as follows:

\$ 600	June Actual Income
<u>—\$112 225</u>	Earned Income Disregard
\$488 <u>375</u>	
<u>—244 187</u>	50% Earned Income Disregard*
\$244 <u>187</u>	Net Nonexempt Income for June*
\$638 <u>670</u>	MAP for three in Region 1
<u>—244 187</u>	Net Nonexempt Income*
\$394 <u>483</u>	Grant Amount for June
- 94	June Grant Already Received
\$300 <u>389</u>	Supplement for June
+ <u>0</u>	Reasonably Anticipated Income for July through September
\$638 <u>670</u>	MAP for three in Region 1
\$638 <u>670</u>	Grant Amount for July through September

* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP Section 44-315.34

A supplement of \$300 389 is issued for the family for the month of June (no later than June 30) and the cash aid is increased to \$638 670 for July, August, and September.

(AR/CO) Example 1:

A non-exempt AU of three, in Region 1 is in the April through March AR/CO Payment Period and is receiving a grant of \$94 per month. The grant was based on the mother having reasonably anticipated earned income of \$1,377 per month. On June 15, the mother reports that she lost her job and will only receive a \$600 paycheck for the month of June and anticipates no income for the remainder of the AR/CO Payment Period. The county requests verification of the job loss and the recipient provides the necessary documentation by June 20. The county shall recalculate her aid for the AR/CO Payment Period as follows:

<u>\$ 600</u>	<u>June Actual Income</u>
<u>- 225</u>	<u>Earned Income Disregard</u>
<u>\$ 375</u>	<u>Subtotal</u>
<u>- 187</u>	<u>50% Earned Income Disregard*</u>
<u>\$ 187</u>	<u>Net Nonexempt Income for June*</u>
<u>\$670</u>	<u>MAP for three in Region 1</u>
<u>-187</u>	<u>Net Nonexempt Income*</u>
<u>\$483</u>	<u>Grant Amount for June*</u>
<u>- 94</u>	<u>June Grant Already Received</u>
<u>\$ 389</u>	<u>Supplement for June</u>
<u>+ 0</u>	<u>Reasonably Anticipated Income for July through September</u>
<u>\$670</u>	<u>MAP for three in Region 1</u>
<u>\$670</u>	<u>Grant Amount for July through September</u>

* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP Section 44-315.34

A supplement of \$389 is issued for the family for the month of June (no later than June 30) and the cash aid is increased to \$670 for the remainder of the AR/CO Payment Period (July through March).

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- (6) If the AU voluntarily reports a decrease in earnings that resulted from a loss or reduction in hours of employment, and the county determines that the recipient did not have good cause for the job quit/reduction in hours, the county shall impose a sanction pursuant to Section 42-721.4. However, the county shall not wait to increase cash aid due to voluntary report of decreased income while determining if good cause exists before imposing the sanction. See

Section 42-721.44 for the time frame for imposing sanctions.

(SAR) (b) Adding Persons to an Existing AU

(SAR) (1) When an AU voluntarily reports a new person in the home, the county shall determine:

(SAR) (A) If the new person is CalWORKs eligible; and

(SAR) (B) If the new person were added into the AU, the AU would still meet all eligibility conditions; and

(SAR) (C) If the addition of the new person would increase or decrease the grant amount or render the AU ineligible.

~~(QR)~~ (2) ~~In determining if the new person is CalWORKs eligible, the county shall use the reasonably anticipated averaged income for the new person and the existing AU's income for the month in which the new person was voluntarily reported in the home and the remaining months of the QR Payment Quarter. In making this determination, the county shall not recalculate the existing AU's reasonably anticipated monthly income that was previously computed.~~

(SAR) (2) In determining if the new person is CalWORKs eligible, the county shall use the reasonably anticipated income for the new person and the existing AU's income for the month in which the new person was voluntarily reported in the home and the remaining months of the SAR Payment Period. In making this determination, the county shall not recalculate the existing AU's reasonably anticipated monthly income that was previously computed.

(SAR) (3) When aid would increase due to the voluntary report of a new person, the county shall add the new person effective the first of the month following the report of the change, in which all verification has been provided and all eligibility conditions have been met.

~~(QR)~~ (A) ~~The county shall include the new person's reasonably anticipated monthly income along with the existing AU's reasonably anticipated monthly income to recalculate cash aid for the month the~~

~~new person is added and the remaining months of the QR Payment Quarter.~~

(SAR) (A) The county shall include the new person's reasonably anticipated monthly income along with the existing AU's reasonably anticipated monthly income to recalculate cash aid for the month the new person is added and the remaining months of the SAR Payment Period.

~~(QR) 1. The new person's income will be averaged for the remaining months of the QR Payment Quarter. The county shall not recalculate the existing AU's monthly income that was previously computed when adding a new person to the grant.~~

(SAR) 1. The new person's income will be determined for the remaining months of the SAR Payment Period. The county shall not recalculate the existing AU's monthly income that was previously computed when adding a new person to the grant.

~~(QR) 2. The new grant amount shall be based on the AU's existing averaged monthly income and the new person's calculated averaged monthly income for the months the new person would be included in the AU.~~

(SAR) 2. The new grant amount shall be based on the AU's existing monthly income and the new person's reasonably anticipated income for the months the new person would be included in the AU.

~~(QR) (B) The county shall increase the grant amount for the month the new person is added and the remaining months of the QR Payment Quarter based on the recalculation of the AU's cash aid (see Section 44-340.3(QR)).~~

(SAR) (B) The county shall increase the grant amount for the month the new person is added and the remaining months of the SAR Payment Period based on the

recalculation of the AU's cash aid (see Section 44-340.3(SAR)).

~~(QR) (4) When adding a new person who would result in an increase in aid, but the new person does not meet all eligibility conditions, before aid is authorized, the county shall not add the person nor discontinue the existing AU mid-quarter.~~

(SAR) (4) When adding a new person who would result in an increase in aid, but the new person does not meet all eligibility conditions before aid is authorized, the county shall not add the person nor discontinue the existing AU mid-period.

~~(QR) (5) If the addition of a new person would result in a decrease in the existing AU's cash aid, the county shall not add the new person until the first day of the next QR Payment Quarter that follows the mandatory reporting of the new person on the QR 7, after all verification has been provided and all eligibility conditions have been met (except as provided in Section 82-832.3(QR)).~~

(SAR) (5) If the addition of a new person would result in a decrease in the existing AU's cash aid, the county shall not add the new person until the first day of the next SAR Payment Period that follows the mandatory reporting of the new person on the SAR 7 or SAWS 2, after all verification has been provided and all eligibility conditions have been met (except as provided in Section 82-832.3(SAR)).

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~~(QR) Example: An AU of three (mother and two children) are in a January/February/March Quarter. Father, who is disabled and has a part time job, moves into the home January 10 and is voluntarily reported in January by the AU. The county recalculates aid for the QR Payment Quarter using the father's reasonably anticipated income for the quarter and determines the addition of the father would decrease aid for the existing AU. The county does not add the father into the AU mid-quarter. The county will send a No Change NOA and remind the existing AU to report the father on the next QR 7, due March 5. If the father is still living in the home, meets all eligibility conditions, and the AU remains eligible, the father will be added into the AU~~

~~April 1 and his income will be used in the grant calculation for the April/May/June QR Payment Quarter.~~

- (SAR) Example: An AU of three (mother and two children) are in a January through June SAR Payment Period. Father, who is disabled and has a part time job, moves into the home February 10 and is voluntarily reported in February by the AU. The county recalculates aid for the SAR Payment Period using the father's reasonably anticipated income for the period and determines the addition of the father would decrease aid for the existing AU. The county does not add the father into the AU mid-period. The county will send a No Change NOA and remind the existing AU to report the father on the SAWS 2, due June 15. If the father is still living in the home, meets all eligibility conditions, and the AU remains eligible, the father will be added into the AU July 1 and his income will be used in the grant calculation for the July through December SAR Payment Period.

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- ~~(QR) (6) If adding a new person would render the existing AU ineligible, the county shall not take action mid-quarter to discontinue the existing AU. The county shall discontinue the existing AU, with timely and adequate notice, at the end of the QR Payment Quarter in which the new person is mandatorily reported on the QR 7.~~
- (SAR) (6) If adding a new person would render the existing AU ineligible, the county shall not take action mid-period to discontinue the existing AU. The county shall discontinue the existing AU, with timely and adequate notice, at the end of the SAR Payment Period in which the new person is mandatorily reported on the SAR 7 or SAWS 2.
- ~~(QR) (e) Request Discontinuance for Aid to Existing AU Members~~
- ~~(QR) At any time during the QR Payment Quarter, a voluntary request can be made to discontinue the entire AU or any individual AU member who is no longer in the home or is an optional person.~~
- (SAR) (c) Request Discontinuance for Aid to Existing AU Members
- (SAR) At any time during the SAR Payment Period, a voluntary request can be made to discontinue the entire AU or any individual AU member who is no longer in the home or is an optional person.

(AR/CO) (c) Request Discontinuance for Aid to Existing AU Members

(AR/CO) At any time during the AR/CO Payment Period, a voluntary request can be made to discontinue the entire AU.

- (1) If a voluntary request for discontinuance is made verbally, the county shall discontinue cash aid at the end of the month in which timely and adequate notice can be provided.
- (2) If the request for discontinuance was made in writing, the county shall discontinue cash aid at the end of the month with adequate notice.
- (3) If an individual requests discontinuance from an existing AU, the county shall discontinue the individual even when that individual's request results in a decrease in aid for the remaining AU members.

~~(QR) (A) The county shall not presume that a mid quarter report of an individual leaving the home is a voluntary request for discontinuance of that AU member. In such circumstances, the county shall verify with the AU if the AU is seeking to discontinue that individual, and shall inform the AU that such a discontinuance shall result in decreased cash aid to the remaining AU members.~~

(SAR) (A) The county shall not presume that a mid-period report of an individual leaving the home is a voluntary request for discontinuance of that AU member. In such circumstances, the county shall verify with the AU if the AU is seeking to discontinue that individual, and shall inform the AU that such a discontinuance shall result in decreased cash aid to the remaining AU members.

~~(QR) (B) If an individual AU member who has left the home requests a discontinuance, but the AU has not voluntarily reported the departure, the individual's request for discontinuance takes precedence over the AU's decision to not make this voluntary mid-quarter report.~~

(SAR) (B) If an individual AU member who has left the home requests a discontinuance, but the AU has not voluntarily reported the departure, the individual's request for discontinuance takes precedence over the AU's decision to not make this voluntary mid-period report.

(d) Request for Recurring Special Needs

~~(QR) (1) Recurring special needs that have been requested mid-quarter and have been verified and approved will begin the first of the month in which either the need was reported or the verification substantiates that the need exists, whichever is later, and shall remain in effect until the end of the quarter in which the special need is expected to end, except as provided in Section 44-211.641(QR).~~

(SAR) (1) Recurring special needs that have been requested mid-period and have been verified and approved will begin the first of the month in which either the need was reported or the verification substantiates that the need exists, whichever is later, and shall remain in effect until the end of the SAR Payment Period in which the special need is expected to end, except as provided in Section 44-211.641 (SAR).

(AR/CO) (1) Recurring special needs that have been requested mid-period and have been verified and approved will begin the first of the month in which either the need was reported or the verification substantiates that the need exists, whichever is later, and shall remain in effect until the end of the AR/CO Payment Period in which the special need is expected to end, except as provided in Section 44-211.641(AR/CO).

~~(QR) (2) When an AU member becomes pregnant mid-quarter, the county shall make payment according to existing pregnancy special need rules (see Sections 44-211.6 et seq.) and will continue payment of the special need until the end of the quarter in which the child is expected to be born.~~

(SAR) (2) When an AU member becomes pregnant mid-period, the county shall make payments according to existing pregnancy special need rules (see Sections 44-211.6 et seq.) and will continue payment of the special need until the end

of the SAR Payment Period in which the child is expected to be born.

(AR/CO)(2) When a teen AU member becomes pregnant mid-period, the county shall make payments according to existing pregnancy special need rules (see Sections 44-211.6 et seq.) and will continue payment of the special need until the end of the AR/CO Payment Period in which the child is expected to be born.

~~(QR)~~ (A) ~~If the pregnancy is verified to extend beyond the estimated date of confinement and extends into the next QR Payment Quarter, the county shall continue the pregnancy special need payment until the end of the QR Payment Quarter in which the new estimated date of confinement is established or until the newborn is added to the AU. See Section 44-318.15 for when to add the newborn.~~

(SAR) (A) If the pregnancy is verified to extend beyond the estimated date of confinement and extends into the next SAR Payment Period, the county shall continue the pregnancy special need payment until the end of the SAR Payment Period in which the new estimated date of confinement is established or until the newborn is added to the AU. See Section 44-318.15(SAR) for when to add the newborn.

(AR/CO)(A) If the pregnancy is verified to extend beyond the estimated date of confinement and extends into the next AR/CO Payment Period, the county shall continue the pregnancy special need payment until the newborn is added to the AU. See Section 44-318.15(AR/CO) for when to add the newborn.

~~(QR)~~ .32 Recipient Mid-Quarter Mandatory Reports

~~(QR)~~ Recipients shall report in person, verbally or in writing, specific changes during the QR Payment Quarter within ten days of when the change becomes known to the AU.

(SAR) .32 Recipient Mid-Period Mandatory Reports

(SAR) Recipients shall report in person, verbally or in writing, specific changes during the SAR Payment Period within ten (10) days of when the change becomes known to the AU.

(ARCO).32 Recipient Mid-Period Mandatory Reports

(ARCO) Recipients shall report in person, verbally or in writing, specific changes during the AR/CO Payment Period within ten (10) days of when the change becomes known to the AU.

.321 The following occurrences shall be reported by the recipient to the county:

- (a) Drug felony convictions
- (b) Fleeing felon status
- (c) Violation of conditions of probation or parole
- (d) Address changes (Continued)

~~(QR)~~ (e) ~~Income exceeding the Income Reporting Threshold (IRT)~~

~~(SAR)~~ (e) Income exceeding the lowest of three levels of the Income Reporting Threshold (IRT)

(ARCO) (f) Changes in household composition

.322 The county shall discontinue cash aid to the recipient at the end of the month in which timely and adequate notice can be provided when changes specified in Sections 44-316.321(a), (b), and (c) are reported.

.323 The county shall act on address changes, in accordance with regulations and procedures regarding changes of residence.

.324 Income Reporting Threshold (IRT)

~~(QR)~~ (a) ~~The level of income that triggers the need for a CalWORKs AU to report a mid-quarter change in income. The IRT is the greater of 130 percent of the Federal Poverty Level or the level at which an AU becomes financially ineligible.~~

~~(SAR)~~ (a) The level of income that triggers the need for a CalWORKs AU to report a mid-period change in income. There are three tiers of the IRT under semi-annual and annual reporting, the lowest of which will be the AU's current IRT amount:

- ~~(SAR)~~ (1) 55 percent of the Federal Poverty Level for a family of three, plus the amount of income last used to calculate the AU's monthly grant amount.

~~(SAR)~~ (2) The amount of income likely to render the AU ineligible for CalWORKs benefits.

~~(SAR)~~ (3) 130 percent of the Federal Poverty Level or the level at which a household becomes financially ineligible for federal SNAP benefits (called CalFresh in California).

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~~Handbook Section 44 316.324(a)(SAR) will become operative in a county on the date that SAR is implemented in the county, pursuant to the County's SAR Declaration.~~

~~(SAR)~~ There are three tiers of the IRT under SAR and AR/CO, the LOWEST of which will be the AU's current IRT:

- 1) Tier one: 55 percent of the monthly income of a family of three at the Federal Poverty Level (FPL) plus the amount of income last used to calculate the AU's grant. (100 percent of the current FPL for a family of 3 as of ~~12-1-12~~ 12-1-13 is ~~\$1,590.83~~ 1,628. 55 percent of ~~\$1,590.83~~ 1,628 = ~~\$875~~ 895. This figure will be updated annually when the FPL is updated.)
 - a. This tier is an INCREASE in income of ~~\$875~~ 895.
 - b. This tier is the same for all AU sizes, exempt and non-exempt, in Region 1 and 2.
 - c. Income over tier one of the IRT will usually only result in a decrease to the benefit amount and will not usually result in the AU losing eligibility for aid.

Example: Tier One of the CalWORKs IRT based on various income amounts	
Income	IRT (\$875 <u>895</u> + income)
\$0	\$875 <u>895</u> (\$875 <u>895</u> + \$0 = \$875 <u>895</u>)
\$50	\$925 <u>945</u> (\$875 <u>895</u> + \$50 = \$925 <u>945</u>)
\$100	\$975 <u>995</u> (\$875 <u>895</u> + \$100 = \$975 <u>995</u>)
\$200	\$1,075 <u>1,095</u> (\$875 <u>895</u> + \$200 = \$1,075 <u>1,095</u>)
\$300	\$1,175 <u>1,195</u> (\$875 <u>895</u> + \$300 = \$1,175 <u>1,195</u>)
\$400	\$1,275 <u>1,295</u> (\$875 <u>895</u> + \$400 = \$1,275 <u>1,295</u>)
\$500	\$1,375 <u>1,395</u> (\$875 <u>895</u> + \$500 = \$1,375 <u>1,395</u>)
\$600	\$1,475 <u>1,495</u> (\$875 <u>895</u> + \$600 = \$1,475 <u>1,495</u>)
\$750	\$1,625 <u>1,645</u> (\$875 <u>895</u> + \$750 = \$1,625 <u>1,645</u>)
\$1,000	\$1,875 <u>1,895</u> (\$875 <u>895</u> + \$1,000 = \$1,875 <u>1,895</u>)
\$1,500	\$2,375 <u>2,395</u> (\$875 <u>895</u> + \$1,500 = \$2,375 <u>2,395</u>)

2) **Tier two:** The level likely to render an AU ineligible for CalWORKs benefits:

Assistance Unit Size	*Maximum Earned Income Limit Region 1, Non-Exempt	*Maximum Earned Income Limit Region 1, Exempt
0	\$ <u>412 227</u>	\$ <u>412 227</u>
1	\$ <u>746 892</u>	\$ <u>814 964</u>
2	\$ <u>1,144 1,310</u>	\$ <u>1,266 1,438</u>
3	\$ <u>1,388 1,566</u>	\$ <u>1,540 1,726</u>
4	\$ <u>1,636 1,826</u>	\$ <u>1,810 2,008</u>
5	\$ <u>1,844 2,044</u>	\$ <u>2,044 2,254</u>
6	\$ <u>2,056 2,268</u>	\$ <u>2,284 2,506</u>
7	\$ <u>2,250 2,470</u>	\$ <u>2,496 2,730</u>
8	\$ <u>2,440 2,670</u>	\$ <u>2,714 2,958</u>
9	\$ <u>2,628 2,868</u>	\$ <u>2,922 3,176</u>
10 or more	\$ <u>2,814 3,064</u>	\$ <u>3,132 3,398</u>

Assistance Unit Size	*Maximum Earned Income Limit Region 2, Non-Exempt	*Maximum Earned Income Limit Region 2, Exempt
0	\$ <u>412 227</u>	\$ <u>412 227</u>
1	\$ <u>712 856</u>	\$ <u>780 928</u>
2	\$ <u>1,092 1,256</u>	\$ <u>1,212 1,382</u>
3	\$ <u>1,328 1,502</u>	\$ <u>1,474 1,656</u>
4	\$ <u>1,562 1,748</u>	\$ <u>1,730 1,924</u>
5	\$ <u>1,762 1,958</u>	\$ <u>1,958 2,164</u>
6	\$ <u>1,964 2,170</u>	\$ <u>2,182 2,400</u>
7	\$ <u>2,144 2,360</u>	\$ <u>2,386 2,614</u>
8	\$ <u>2,330 2,554</u>	\$ <u>2,590 2,828</u>
9	\$ <u>2,508 2,742</u>	\$ <u>2,792 3,040</u>
10 or more	\$ <u>2,684 2,926</u>	\$ <u>2,990 3,248</u>

*Formula: MAP X 2 + \$412 225 + 1

(Example: Non-exempt MAP for an AU of 3 in Region 1 is \$638 670. \$638 670 x 2 + 412 225 + 1 = \$1388 1,566.)

3) **Tier Three:** The level likely to render a family ineligible for federal SNAP benefits. (130 percent of FPL. This Chart will be updated annually.)

Household Size	Income Reporting Threshold
1	\$ <u>1,180 1,245</u>
2	\$ <u>1,594 1,681</u>
3	\$ <u>2,008 2,116</u>
4	\$ <u>2,422 2,552</u>
5	\$ <u>2,836 2,987</u>

6	\$3,249 <u>3,423</u>
7	\$3,663 <u>3,858</u>
8	\$4,077 <u>4,294</u>
9	\$4,491 <u>4,730</u>
10 or more	\$4,905 <u>5,166</u>

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~~(QR)~~ (b) ~~If any member of the AU or person included in the family MAP, when the AU's current grant was determined, has earned income or begins receiving earned income, the AU must report to the county when the family's combined gross monthly income, earned and unearned, exceeds the AU's IRT during the QR Payment Quarter.~~

(SAR) (b) If any member of the AU or person included in the family MAP, when the AU's current grant was determined, has earned income or begins receiving earned income, the AU must report to the county when the family's combined gross monthly income, earned and unearned, exceeds the AU's IRT during the SAR Payment Period.

(AR/CO) (b) If any member of the AU or person included in the family MAP, when the AU's current grant was determined, has earned income or begins receiving earned income, the AU must report to the county when the family's combined gross monthly income, earned and unearned, exceeds the AU's IRT during the AR/CO Payment Period.

(1) An AU that has earned income only or a combination of earned and unearned income shall report when the family's combined gross monthly income exceeds the AU's IRT.

(2) An AU that has no income or has unearned income only shall report if they begin to receive earned income that, once combined with other family income, exceeds the AU's IRT.

~~(QR)~~ (e) ~~When an AU reports income in excess of the IRT, the county shall redetermine the AU's financial eligibility for the QR Payment Quarter.~~

(SAR) (c) When an AU reports income in excess of the IRT, the county shall redetermine the AU's financial eligibility and grant amount for the SAR Payment Period.

(AR/CO) (c) When an AU reports income in excess of the IRT, the county shall redetermine the AU's financial eligibility and grant amount for the AR/CO Payment Period.

~~(QR) (1) When the AU reports income in excess of the IRT in the first or second month of the current QR Payment Quarter, the county shall determine if the reported income is reasonably anticipated to continue and whether the AU's net nonexempt monthly averaged income for the remainder of the current QR Payment Quarter will exceed the AU's MAP. If the averaged income is reasonably anticipated to continue to exceed the AU's MAP for the remainder of the QR Payment Quarter, the county shall determine the AU financially ineligible and shall discontinue the AU at the end of the month in which the AU first received the income that exceeded the AU's MAP, with timely and adequate notice (see Section 44-207.23(QR)).~~

(SAR) (1) When the AU reports income in excess of the IRT in the first through fifth month of the current SAR Payment Period, the county shall determine if the reported income is reasonably anticipated to continue and whether the AU's net nonexempt monthly income determined for the remainder of the current SAR Payment Period will result in a lower grant amount or will exceed the income eligibility limits for CalWORKs. If the income is reasonably anticipated to continue to result in a lower grant amount for the remainder of the SAR Payment Period, the county shall recalculate the AU's grant amount for the remainder of the SAR Payment Period. If the income is reasonably anticipated to continue to exceed the AU's income eligibility limits for the remainder of the SAR Payment Period, the county shall determine the AU financially ineligible and shall discontinue the AU at the end of the month in which the AU first received the income that exceeded the AU's eligibility limits, with timely and adequate notice (see Section 44-207.23(SAR)).

(AR/CO) (1) When the AU reports income in excess of the IRT in the first through eleventh month of the current AR/CO Payment Period, the county shall determine if the reported income is reasonably anticipated to continue and whether the AU's net nonexempt monthly income determined for the remainder of the current AR/CO Payment Period will result in a lower grant amount or will exceed the income eligibility limits for CalWORKs. If the income is

reasonably anticipated to continue to result in a lower grant amount for the remainder of the AR/CO Payment Period, the county shall recalculate the AU's grant amount for the remainder of the AR/CO Payment Period. If the income is reasonably anticipated to continue to exceed the AU's income eligibility limits for the remainder of the AR/CO Payment Period, the county shall determine the AU financially ineligible and shall discontinue the AU at the end of the month in which the AU first received the income that exceeded the AU's eligibility limits, with timely and adequate notice (see Section 44-207.23(AR/CO)).

~~(QR)~~ (A) ~~If the AU reports that the income will no longer exceed the IRT prior to the effective date of the discontinuance, and the county determines that this is reasonably anticipated, the county shall rescind the discontinuance.~~

~~(SAR)~~ (A) If the AU reports that the income will no longer exceed the IRT prior to the effective date of the decrease or discontinuance, and the county determines that this is reasonably anticipated, the county shall rescind the decrease or discontinuance.

~~(QR)~~ (B) ~~If the AU requests restoration of cash aid after the QR Payment Quarter in which the discontinuance takes effect, financial eligibility shall be determined in accordance with Sections 40-125.91 and .92(QR).~~

(SAR) (B) If the AU requests restoration of cash aid after the SAR Payment Period in which they were discontinued for income over the IRT, financial eligibility shall be determined in accordance with Sections 40-125.91 and .92(SAR).

(ARCO) (B) If the AU requests restoration of cash aid after the AR/CO Payment Period in which they were discontinued for income over the IRT, financial eligibility shall be determined in accordance with Sections 40-125.91.

~~(QR)~~ (2) ~~When an AU reports income in excess of the IRT in the third month of the current QR Payment Quarter, the county shall determine if the reported income is reasonably anticipated to continue. If the income will continue, the county shall use that information together with the QR 7~~

~~information to prospectively determine eligibility and cash aid amount for the next QR Payment Quarter.~~

(SAR) (2) When an AU reports income in excess of the IRT in the sixth month of the current SAR Payment Period, the county shall determine if the reported income is reasonably anticipated to continue. If the income will continue, the county shall use that information together with the SAR 7 or SAWS 2 information to prospectively determine eligibility and cash aid amount for the next SAR Payment Period.

(AR/CO) (2) When an AU reports income in excess of the IRT in the twelfth month of the current AR/CO Payment Period, the county shall determine if the reported income is reasonably anticipated to continue. If the income will continue, the county shall use that information together with the SAWS 2 information to prospectively determine eligibility and cash aid amount for the next AR/CO Payment Period.

~~(QR) (d) If income that was reported as being in excess of the IRT is only expected to exceed the IRT for that one month and will not continue to exceed the IRT, the county shall not take action to discontinue cash aid. If the recipient's report indicates there will also be a decrease in the income previously anticipated for the QR Payment Quarter, the county shall treat this additional information as a mid-quarter report.~~

(SAR) (d) If income that was reported as being in excess of the IRT is only expected to exceed the IRT for that one month and will not continue to exceed the IRT, the county shall not take action to decrease or discontinue cash aid. If the recipient's report indicates there will also be a decrease in the income previously anticipated for the SAR Payment Period, the county shall treat this additional information as a mid-period report.

(AR/CO) (d) If income that was reported as being in excess of the IRT is only expected to exceed the IRT for that one month and will not continue to exceed the IRT, the county shall not take action to decrease or discontinue cash aid. If the recipient's report indicates there will also be a decrease in the income previously anticipated for the AR/CO Payment Period, the county shall treat this additional information as a mid-period report.

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~~(QR) Example: An AU is in the April/May/June Quarter. In April, the AU reports timely to the county that their earned income exceeded the IRT due to overtime. When determining the reasonably anticipated income for May and June for the AU due to the IRT report, it is discovered that the AU will have no income for those months. Since the income over the IRT will not continue, the AU is not discontinued. The county shall treat this information as a mid-quarter report and recalculate the cash aid amount, after verification is received, for the decreased income for May and June. If the recalculation results in an increase of cash aid, a supplement will be issued for May and the grant increased for June.~~

**(QR) Income Reporting Threshold (IRT)
for Recipient Family**

Region One	
*Reporting Size	Income Reporting Threshold
0	\$227
1	\$1009
2	\$1362 Oct. & Nov. 2004) \$1394 (Dec. 2004 forward)
3	\$1698
4	\$2043
5	\$2387
6	\$2732
7	\$3076
8	\$3421
9	\$3766
10 or more	\$4111

Region Two	
*Reporting Size	Income Reporting Threshold
0	\$227
1	\$1009
2	\$1354
3	\$1698
4	\$2043
5	\$2387
6	\$2732
7	\$3076
8	\$3421
9	\$3766
10 or more	\$4111

Effective 10/1/04

Effective 10/1/04

* The numbers in this column reflect the number of persons whose needs are included in the determination of eligibility for the AU. This number may be greater than the family's AU size.

(SAR) Example: An AU is in an April through September SAR Payment Period. In May, the AU reports timely to the county that their earned income exceeded the IRT due to overtime. When determining the reasonably anticipated income for the rest of the SAR Payment Period for the AU due to the IRT report, it is discovered that the AU will lose their job at the end of May and have no income for the remaining months of the SAR Payment Period. Since the income over the IRT will not continue, the AU's

grant is not decreased or discontinued. The county shall treat the information about the decreased income as a mid-period report and recalculate the cash aid amount, after verification is received, for the remaining months of the SAR Payment Period (June through September).

(ARCO) Example: An AU is in an April through March AR/CO Payment Period. In May, the AU reports timely to the county that their earned income exceeded the IRT due to overtime. When determining the reasonably anticipated income for the rest of the AR/CO Payment Period for the AU due to the IRT report, it is discovered that the AU will lose their job at the end of May and have no income for the remaining months of the AR/CO Payment Period. Since the income over the IRT will not continue, the AU's grant is not decreased or discontinued. The county shall treat the information about the decreased income as a mid-period report and recalculate the cash aid amount, after verification is received, for the remaining months of the AR/CO Payment Period (June through March).

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(ARCO) .325 The county shall act on household compositions changes reported mid-period.

(ARCO) (a) Adding Persons to an Existing AU

(ARCO) (1) When an AU reports a new person in the home, the county shall determine:

(ARCO) (A) If the new person is CalWORKs eligible; and

(ARCO) (B) If the new person were added into the AU, the AU would still meet all eligibility conditions; and

(ARCO) (C) If the addition of the new person would increase or decrease the grant amount or render the AU ineligible.

(ARCO) (b) In determining if the new person is CalWORKs eligible, the county shall use the reasonably anticipated income for the new person and the existing AU's income for the month in which the new person was reported in the home and the remaining months of the AR/CO Payment Period. In

making this determination, the county shall not recalculate the existing AU's reasonably anticipated monthly income that was previously computed.

(ARCO) (c) When aid would increase due to the report of a new person, the county shall add the new person effective the first of the month following the report of the change, in which all verification has been provided and all eligibility conditions have been met.

(ARCO) (1) The county shall include the new person's reasonably anticipated monthly income along with the existing AU's reasonably anticipated monthly income to recalculate cash aid for the month the new person is added and the remaining months of the AR/CO Payment Period.

(ARCO) (A) The new person's income will be determined for the remaining months of the AR/CO Payment Period. The county shall not recalculate the existing AU's monthly income that was previously computed when adding a new person to the grant.

(ARCO) (B) The new grant amount shall be based on the AU's existing monthly income and the new person's reasonably anticipated income for the months the new person would be included in the AU.

(ARCO) (2) The county shall increase the grant amount for the month the new person is added and the remaining months of the AR/CO Payment Period based on the recalculation of the AU's cash aid (see Section 44-340.3(AR/CO)).

(ARCO) (d) If the addition of a new person would result in a decrease in the existing AU's cash aid, the county shall decrease the grant after all verification has been provided and all eligibility conditions have been met. The county shall provide the AU with timely and adequate notice of the decrease in the AU's grant effective the first of the month following month in which the change occurred.

(ARCO) (e) If adding a new person would render the existing AU ineligible, the county shall take action mid-period to

discontinue the existing AU. The county shall discontinue the existing AU with timely and adequate notice effective the end of the month in which the change occurred.

~~(QR)~~ .33 County Initiated Mid-Quarter Changes

~~The county shall take mid-quarter action on certain specified changes in eligibility and grant status at the end of the month in which the change occurred even if it results in a decrease in cash aid.~~

~~(SAR)~~ .33 County-Initiated Mid-Period Changes

~~The county shall take mid-period action on certain specified changes in eligibility and grant status at the end of the month in which the change occurred even if it results in a decrease in cash aid.~~

~~(QR)~~ .331 County initiated actions include:

~~(QR) (a) An adult in the AU reaches the 48-month time limit;~~

~~(QR) (b) The county imposes a sanction or financial penalty on an individual member of the AU;~~

~~(QR) (c) The county removes the sanction of an individual who corrects his/her welfare to work participation problem, in accordance with Section 42-721.48;~~

~~(QR) (d) The county removes the penalty for an AU that complies with the CalWORKs program requirements;~~

~~(QR) (e) A Cal Learn participant earns a Cal Learn bonus or sanction;~~

~~(QR) (f) A child in the AU reaches the age limit (see Section 42-101);~~

~~(QR) (g) A child in the AU is placed in Foster Care;~~

~~(QR) (h) A Refugee Cash Assistance (RCA) recipient reaches the eight-month RCA time limit;~~

~~(QR) (i) Aid is authorized for an individual who is currently aided in another AU;~~

~~(QR) (j) Late QR-7 adjustment;~~

~~(QR) (k) State Hearing decision resulting in mandatory changes mid-quarter;~~

- ~~(QR)~~ (l) When an AU becomes a Family Reunification case;
- ~~(QR)~~ (m) An AU member is no longer a California resident;
- ~~(QR)~~ (n) County acts on redetermination information in accordance with Section 40-181.1(QR).
- ~~(QR)~~ (o) Adjustments to correct erroneous payments caused by (1) incorrect or incomplete recipient QR 7 or mid-quarter reporting; or (2) incorrect action or lack of action by the county on QR 7 or mid-quarter information reported by the recipient;
- ~~(QR)~~ (p) When it becomes known to the county that an AU member is deceased;
- ~~(QR)~~ (q) An AU is transferred to a Tribal TANF program;
- ~~(QR)~~ (r) Cost of living adjustments for Minimum Basic Standards of Adequate Care (including income in kind), Maximum Aid Payment, and Social Security;
- ~~(QR)~~ (s) When it becomes known to the county that an individual is confined in a correctional facility on the first of a month and is expected to remain for a full calendar month or more (see Section 82-812.61).

~~(SAR)~~ .331 County-initiated actions include:

- ~~(SAR)~~ (a) An adult in the AU reaches the 48-month time limit;
- ~~(SAR)~~ (b) The county imposes a sanction or financial penalty on an individual member of the AU;
- ~~(SAR)~~ (c) The county removes the sanction of an individual who corrects his/her welfare-to-work participation problem, in accordance with Section 42-721.48;
- ~~(SAR)~~ (d) The county removes the penalty for an AU that complies with the CalWORKs program requirements;
- ~~(SAR)~~ (e) A Cal-Learn participant earns a Cal-Learn bonus or sanction;
- ~~(SAR)~~ (f) A child in the AU reaches the age limit (see Section 42-101);
- ~~(SAR)~~ (g) A child in the AU is placed in Foster Care;

- (SAR) (h) A Refugee Cash Assistance (RCA) recipient reaches the eight-month RCA time limit;
- ~~(SAR)~~ (i) Aid is authorized for an individual who is currently aided in another AU;
- (SAR) (j) Late SAR 7 adjustment;
- ~~(SAR)~~ (k) State Hearing decision resulting in mandatory changes mid-period;
- ~~(SAR)~~ (l) When an AU becomes a Family Reunification case;
- ~~(SAR)~~ (m) An AU member is no longer a California resident;
- (SAR) (n) County acts on redetermination information in accordance with Section 40-181.1(SAR).
- (AR/CO) (n) County acts on redetermination information in accordance with Section 40-181.1(AR/CO);
- (SAR) (o) Adjustments to correct erroneous payments caused by (1) incorrect or incomplete recipient SAR 7, SAWS 2 or mid-period reporting; or (2) incorrect action or lack of action by the county on SAR 7, SAWS 2 or mid-period information reported by the recipient;
- (AR/CO) (o) Adjustments to correct erroneous payments caused by (1) incorrect or incomplete recipient SAWS 2 or mid-period reporting; or (2) incorrect action or lack of action by the county on SAWS 2 or mid-period information reported by the recipient;
- ~~(SAR)~~ (p) When it becomes known to the county that an AU member is deceased;
- ~~(SAR)~~ (q) An AU is transferred to a Tribal TANF program;
- ~~(SAR)~~ (r) Cost-of-living adjustments for Minimum Basic Standards of Adequate Care (including income in-kind), Maximum Aid Payment, and Social Security;
- ~~(SAR)~~ (s) When it becomes known to the county that an individual is confined in a correctional facility on the first of a month and is expected to remain for a full calendar month or more (see Section 82-812.61).
- ~~(SAR)~~ (t) Nine-month real property exemption expires (see Section 42-213.12).

(u) A Non-Minor dependent is transferred into his or her own AU;

(AR/CO)(v) The county determines an overpayment occurs and begins collecting overpayment via grant adjustment.

Authority cited: Sections 10553, 10554, and 11369, Welfare and Institutions Code.

Reference: Section 10063, 11265, 11265.1, 11265.2, 11265.3, 11265.45, 11265.47, 11450.5, 11454, and 11454.2, Welfare and Institutions Code; Federal Register, Vol. 75, No. 19, dated January 29, 2010, pages 4928 and 4929 [7 CFR 273.12 (a)(1)(vii)].

Amend Section 44-318 to read:

44-318 BEGINNING DATE OF AID (BDA) FOR PERSONS 44-318
BEING ADDED TO THE AU

- .1 Beginning Date of Aid The BDA shall be:
- .11 Mandatorily Included Persons When mandatorily included persons added result in a cash aid: (Continued)
- .112 Decrease ~~Section 44-318.112(QR) shall become inoperative and Section 44-318.112(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~
- (QR) ~~The first day of the QR Payment Quarter following the required reporting of the individual on the QR 7 provided all conditions of eligibility have been met.~~
- (SAR) ~~The first day of the SAR Payment Period following the required reporting of the individual on the SAR 7 or SAWS 2 provided all conditions of eligibility have been met.~~
- (ARCO) The first day of the month following the month in which the change occurred.
- .12 Optional Persons When optional persons added result in a cash aid: (Continued)
- .122 Decrease ~~Section 44-318.122(QR) shall become inoperative and Section 44-318.122(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~
- (QR) ~~The first day of the QR Payment Quarter following the required reporting of the individual on the QR 7 provided all conditions of eligibility have been met.~~
- (SAR) ~~The first day of the SAR Payment Period following the required reporting of the individual on the SAR 7 or SAWS 2 provided all conditions of eligibility have been met.~~

	<u>(AR/CO)</u>	<u>The first day of the month following the month in which the change occurred.</u>
.13	Sanction/ Noncooperating Persons	Section 44-318.13(QR) et seq. shall become inoperative and Section 44-318.13(SAR) et seq. shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.
	(QR)	The first of the month following the date the person contacted the county to indicate his or her desire to end the sanction after all of the following conditions are met:
	(QR) (a)	All conditions of eligibility have been met (see Section 44-316.331 (c) (QR)); and
	(QR) (b)	The activities in accordance with Section 42-721.43 have been successfully completed.
	(SAR)	The first of the month following the date the person contacted the county to indicate his or her desire to end the sanction after all of the following conditions are met:
	(SAR) (a)	All conditions of eligibility have been met (see Section 44-316.331(c)(SAR)); and
	(SAR) (b)	The activities in accordance with Section 42-721.43 have been successfully completed.
.14	Unreported Mandatorily Included Persons	The date the person meets all requirements for eligibility when he/she is required to be included in the AU but aid was not requested.
	.141	Eligibility conditions are considered to have been met from the first day of the month following the date the individual was discovered in the home, providing he/she is cooperating in meeting those conditions.
.15		Section 44-318.15(QR) et seq. shall become inoperative and Section 44-318.15(SAR) et seq. shall become operative in a county on the date SAR

~~becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Newborn Child and
MFG Child~~

~~(SAR) Newborn Child and
MFG Child~~

~~(QR) .151 Newborn Child~~

~~When a newborn child is added results in a cash aid:~~

~~(QR) (a) Increase~~

~~The first of the month after the birth is reported and all conditions of eligibility have been met (see Section 44-211.6(QR)).~~

~~(QR) (b) Decrease~~

~~The first day of the next QR Payment Quarter after the change is reported on the QR 7 and after all conditions of eligibility have been met (see Section 44-211.6(QR)).~~

~~(SAR) .151 Newborn Child~~

~~When a newborn child is added results in a cash aid:~~

~~(SAR) (a) Increase~~

~~The first of the month after the birth is reported and all conditions of eligibility have been met (see Section 44-211.6(SAR)).~~

~~(SAR) (b) Decrease~~

~~The first day of the next SAR Payment Period after the change is reported on the SAR 7 or the SAWS 2 and after all conditions of eligibility have been met (see Section 44-211.6(SAR)).~~

~~(AR/CO) .151 Newborn Child~~

~~When a newborn child is added results in a cash aid:~~

~~(AR/CO) (a) Increase~~

~~The first of the month after the birth is reported and all conditions of eligibility have been met (see Section 44-211.633(AR/CO)).~~

~~(AR/CO) (b) Decrease~~

~~The first of the month after the birth is reported and all conditions of eligibility have been met (see Section 44-211.633(AR/CO)).~~

~~(QR) .152 Newborn MFG Child~~

~~When an MFG newborn child is added results in no change or a decrease in cash aid.~~

- (QR) (a) No PSN/
No Change ~~The first of the month following the report of the birth provided that all conditions of eligibility have been met and provided that the mother is not receiving a pregnancy special need payment and the grant will not decrease as a result of adding the newborn.~~
- (QR) (b) PSN/Decrease ~~The first day of the next QR Payment Quarter following the report of the birth and all verification has been provided, when the mother has been receiving a pregnancy special need payment or the grant would otherwise decrease as a result of adding the newborn.~~
- (SAR) .152 Newborn MFG Child When an MFG newborn child is added results in no change or a decrease in cash aid.
- (SAR) (a) No PSN/
No Change The first of the month following the report of the birth provided that all conditions of eligibility have been met and provided that the mother is not receiving a pregnancy special need payment and the grant will not decrease as a result of adding the newborn.
- (SAR) (b) PSN/Decrease The first day of the next SAR Payment Period following the report of the birth and all verification has been provided, when the mother has been receiving a pregnancy special need payment or the grant would otherwise decrease as a result of adding the newborn.
- (ARCO) .152 Newborn MFG Child When an MFG newborn child is added results in no change or a decrease in cash aid.
- (ARCO) (a) No PSN/
No Change The first of the month following the report of the birth provided that all conditions of eligibility have been met.
- (ARCO) (b) PSN/Decrease The first of the month following the report of the birth provided that all conditions of eligibility have been met.
- .16 Father of a Newborn When a father of a newborn added, in accordance with Section 44-205.122, results in a cash aid:
(Continued)

- .162 Decrease ~~Section 44-318.162(QR) shall become inoperative and Section 44-318.162(SAR) shall become operative in a county on date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~
- (QR) ~~The first day of the next QR Payment Quarter after the report of the birth and all conditions of eligibility have been met.~~
- (SAR) The first day of the next SAR Payment Period after the report of the birth and all conditions of eligibility have been met.

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 11056, 11265.1, 11265.2, 11265.3, 11265.47, and 11327.5(d), Welfare and Institutions Code; 45 CFR 233.10 and .20(a)(13); Federal Register, Vol. 57, No. 131; and SSA-AT-86-01; Federal Register, Vol. 75, No. 19, dated January 29, 2010, pages 4928 and 4929 [7 CFR 273.12(a)(1)(vii)].

Amend Section 44-325 to read:

44-325 CHANGES IN AMOUNT OF PAYMENT

44-325

.1 When Change is Effective

~~Section 44-325.1(QR) shall become inoperative and Section 44-325.1(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) When any change in the recipient's circumstances requires a change in grant, or a discontinuance of aid, the appropriate change or discontinuance is to be made effective in accordance with Section 44-316(QR) as soon as notice can be given pursuant to Sections 22-071(QR) and 22-072(QR).~~

~~(SAR) When any change in the recipient's circumstances requires a change in grant, or a discontinuance of aid, the appropriate change or discontinuance is to be made effective in accordance with Section 44-316(SAR) as soon as notice can be given pursuant to Sections 22-071(SAR) and 22-072(SAR).~~

(ARCO) When any change in the recipient's circumstances requires a change in grant, or a discontinuance of aid, the appropriate change or discontinuance is to be made effective in accordance with Section 44-316(AR/CO) as soon as notice can be given pursuant to Sections 22-071 and 22-072.

.2 Discontinuance

~~Section 44-325.2(QR) shall become inoperative and Section 44-325.2(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) If a recipient's circumstances change to the extent that he no longer meets the eligibility requirements, aid shall be discontinued in accordance with Section 44-316.3(QR). (See Section 40-183.4 regarding appropriate action when the recipient is no longer eligible for cash grant but remains eligible for medical assistance as a medically needy person).~~

~~(SAR) If a recipient's circumstances change to the extent that he no longer meets the eligibility requirements, aid shall be discontinued in accordance with Section 44-316.3(SAR). (See Section 40-183.4 regarding appropriate action when the recipient is no longer eligible for cash grant but remains eligible for medical assistance as a medically needy person).~~

(ARCO) If a recipient's circumstances change to the extent that he no longer meets the eligibility requirements, aid shall be discontinued in accordance with Section 44-316.3(AR/CO). (See Section 40-183.4 regarding appropriate action when the recipient is no longer

eligible for cash grant but remains eligible for medical assistance as a medically needy person).

.3 (Continued)

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 11006.2, 11265.1, 11265.2, and 11265.3, Welfare and Institutions Code.

Amend Section 44-327 to read:

44-327 DELAYED PAYMENT

44-327

When a public assistance payment is delayed because of changes in circumstances not related to continuing eligibility or to the correctness of grant, the county shall immediately take whatever action is necessary to determine the changed circumstances and issue the payment at the earliest possible date. (Continued)

.2 Factors Causing Delay in Payment

Factors which may cause delay in payment within the meaning of this section include:
(Continued)

~~.25 Section 44-327.25(QR) shall become inoperative and Section 44-327.25(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) The complete QR 7 (see Section 40-181.241(QR)) is received after the tenth day prior to the end of the submit month regardless of good cause the first warrant shall be mailed or electronic fund transfer made in accordance with Section 44-305.231(QR).~~

(SAR) The complete SAR 7 (see Section 40-181.241(SAR)) is received after the tenth day prior to the end of the submit month or the SAWS 2 is received after the 15th day of the submit month, regardless of good cause - the first warrant shall be mailed or electronic fund transfer made in accordance with Section 44-305.231(SAR).

(ARCO) The SAWS 2 is received after the 15th day of the submit month, regardless of good cause – the first warrant shall be mailed or electronic fund transfer made in accordance with Section 44-305.231(AR/CO).

.26 (Continued)

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 11006.2, and 11265.1, Welfare and Institutions Code.

Amend Section 44-340 to read:

44-340 UNDERPAYMENTS

44-340

.1 General (Continued)

.13 The county shall take all reasonable steps necessary to correct promptly any underpayment that comes to the county's attention. (Continued)

~~.133 Section 44-340.133(QR) shall become inoperative and Section 44-340.133 (SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) If information reported on the QR 7 results in an increase of cash aid, and the county cannot increase the grant by the first day of the month of the next QR Payment Quarter, a supplement shall be issued for that month, and cash aid increased for the remaining months of that quarter provided that the recipient reported the information timely.~~

(SAR) If information reported on the SAR 7 or SAWS 2 results in an increase in cash aid, and the county cannot increase the grant by the first day of the month of the next SAR Payment Period, a supplement shall be issued for that month, and cash aid increased for the remaining months of that SAR Payment Period. A supplement will be provided for the month the decrease in income is reported or the month the change actually occurs, whichever is later, after all verification has been provided (see Section 44-316.31(SAR)).

(ARCO) If information reported on the SAWS 2 results in an increase in cash aid, and the county cannot increase the grant by the first day of the month of the next AR/CO Payment Period, a supplement shall be issued for that month, and cash aid increased for the remaining months of that AR/CO Payment Period. A supplement will be provided for the month the decrease in income is reported or the month the change actually occurs, whichever is later, after all verification has been provided (see Section 44-316.31(AR/CO)).

~~.14 Section 44-340.14(QR) shall become inoperative and Section 44-340.14(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) A mid quarter supplemental payment resulting from a voluntary mid quarter report which was correctly computed based on a recalculation of reasonably anticipated income and/or other changed AU circumstances shall not be considered an underpayment and is not subject to an overpayment offset.~~

~~(SAR)~~ A mid-period supplemental payment resulting from a voluntary mid-period report which was correctly computed based on a recalculation of reasonably anticipated income and/or other changed AU circumstances shall not be considered an underpayment and is not subject to an overpayment offset. (Continued)

.3 Calculating the Underpayments

The calculation of the underpayment is as follows: (Continued)

~~.33 Section 44-340.33(QR) shall become inoperative and Section 44-340.33(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) No underpayment shall be established when a change in circumstances occurs or actual income received is less than what was reasonably anticipated during the QR Payment Quarter and the recipient did not voluntarily report the change in circumstances or the decrease of income during the QR Payment Quarter in accordance with Section 44-316.31(QR).~~

(SAR) No underpayment shall be established when a change in circumstances occurs or actual income received is less than what was reasonably anticipated for the SAR Payment Period and the recipient did not voluntarily report the change in circumstances or the decrease of income during the SAR Payment Period in accordance with Section 44-316.31(SAR).

(AR/CO) No underpayment shall be established when a change in circumstances occurs or actual income received is less than what was reasonably anticipated for the AR/CO Payment Period and the recipient did not voluntarily report the change in circumstances or the decrease of income during the AR/CO Payment Period in accordance with Section 44-316.31(AR/CO).

.4 Correction of the Underpayment (Continued)

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 11004.1, 11265.1, 11265.2, 11265.3, and 11450.5, Welfare and Institutions Code.

Amend Section 44-350 to read:

44-350 OVERPAYMENTS -- GENERAL

44-350

.1 General (Continued)

~~.18 Section 44-350.18(QR) shall become inoperative and Section 44-350.18(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) An overpayment shall not be assessed based on any differences between the amount of income the county reasonably anticipated the recipient would receive during the QR Payment Quarter and the income the recipient actually received during that period, provided the recipient's reports were complete and accurate.~~

~~(SAR) An overpayment shall not be assessed based on any differences between the amount of income the county reasonably anticipated the recipient would receive during the SAR Payment Period and the income the recipient actually received during that period, provided the recipient's reports were complete and accurate.~~

(ARCO) An overpayment shall not be assessed based on any differences between the amount of income the county reasonably anticipated the recipient would receive during the AR/CO Payment Period and the income the recipient actually received during that period. If the recipient's reports were incomplete or inaccurate, the county shall assess an overpayment based on what should have been reasonably anticipated at the time of the report, had the recipient reported completely and accurately.

.2 Definitions (Continued)

.5 Overpayments Due to the Inability to Provide Ten-Day Notice of Adverse Action

~~Section 44-350.5(QR) shall become inoperative and Section 44-350.5(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) An overpayment shall be assessed when the AU receives more cash aid than the AU was entitled to receive because the county was unable to provide ten-day notice of an adverse action following receipt of a mandatory recipient report, including the QR-7.~~

(SAR) An overpayment shall be assessed when the AU receives more cash aid than the AU was entitled to receive because the county was unable to provide ten-day notice of an adverse action following receipt of a mandatory recipient report, including reports on the SAR 7, the SAWS 2, or mandatory mid-period reports of income over the IRT.

(ARCO) An overpayment shall be assessed when the AU receives more cash aid than the AU was entitled to receive because the county was unable to provide ten-day notice of an adverse action following receipt of a mandatory recipient report, including reports on the SAWS 2, or mandatory mid-period reports of income over the IRT.

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 11004 (Ch. 270, Stats. 1997), 11004.1, 11056, and 11265.1, Welfare and Institutions Code; Section 37 of AB 444 (Ch. 1022, Stats. 2002); 45 CFR 233.20(a)(13); and Administration for Children and Families (ACF) Action Transmittals (AT) 94-11 and 94-20; Federal Register, Vol. 75, No. 19, dated January 29, 2010, pages 4928 and 4929 [7 CFR 273.12(a)(1)(vii)].

Amend Section 44-352 to read:

44-352 OVERPAYMENT RECOUPMENT

44-352

.1 Calculation of the Overpayment

When it is determined that an overpayment exists, calculate the amount of the overpayment and determine the appropriate methods of recovery.

.11 Overpayment due to "excess property"

~~.111 Section 44-352.111(QR) shall become inoperative and Section 44-352.111 (SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Unless the excess property was spent down prior to the first day of the next QR Payment Quarter, which followed the QR 7 on which the excess property should have been reported, the county shall determine an excess property overpayment based on an accurate report and/or correct county action when:~~

~~(QR) (a) Property information that should have been reported on the QR 7 was not reported; or~~

~~(QR) (b) The county failed to act correctly on property information reported on the QR 7. Also see Section 40-125.951.~~

~~(SAR) Unless the excess property was spent down prior to the first day of the next SAR Payment Period, which followed the SAR 7 or SAWS 2 on which the excess property should have been reported, the county shall determine an excess property overpayment based on an accurate report and/or correct county action when:~~

~~(SAR) (a) Property information that should have been reported on the SAR 7 or SAWS 2 was not reported; or~~

~~(SAR) (b) The county failed to act correctly on property information reported on the SAR 7 or SAWS 2. Also see Section 40-125.951.~~

(ARCO) Unless the excess property was spent down prior to the first day of the next AR/CO Payment Period, which followed the SAWS 2 on which the excess property should have been reported, the county shall determine an excess property overpayment based on an accurate report and/or correct county action when:

(AR/CO) (a) Property information that should have been reported on the SAWS 2 was not reported; or

(AR/CO) (b) The county failed to act correctly on property information reported on the SAWS 2. Also see Section 40-125.951.

.112 When a recipient has held property in excess of eligibility limits, the overpayment shall be calculated as follows:

(a) Determine the period of time in which the recipient held property exceeding the property maximums.

(1) For the purposes of this section, the period that the recipient held excess property includes all months in which the total property value of the same items of property exceeds limits on the first day of the month, even though there may be intervening months in which the total property value is below limits. Fluctuations in the value of individual items of property shall not affect the determination of the period of time that the recipient held excess property, so long as the same items of property are included in the total property valuation. If the recipient disposes of an item of property or acquires an item of property, a new period begins and separate calculation is required.

~~(2) Section 44-352.112(a)(2)(QR) shall become inoperative and 44-352.112(a)(2)(SAR) shall become operative in a county on the date that SAR becomes effective in that county pursuant to the County's SAR Declaration.~~

~~(QR) The first month that can be determined for this period of excess property is the first month of the QR Payment Quarter following the QR 7 in which the excess property was required to be reported.~~

(SAR) The first month that can be determined for this period of excess property is the first month of the SAR Payment Period following the SAR 7 or SAWS 2 in which the excess property was required to be reported.

(AR/CO) The first month that can be determined for this period of excess property is the first month of the AR/CO Payment Period following the SAWS 2 in which the excess property was required to be reported.

(b) (Continued)

.12 Overpayment due to income or need or circumstances other than excess property.
(Continued)

.121 Compute the correct grant amount based on correct information for the month involved in the overpayment. If the recipient was totally ineligible for that month, the correct grant amount is zero (0). (Continued)

(a) Regulations subsequently invalidated by a court decision shall not be used in determining the correct grant for the applicable period(s) as required by the court decision. Instead, the instructions (e.g., All-County Letter, regulations, etc.) implementing the court decision shall be used. (Continued)

(2) When recomputing cash aid results in an overpayment, the county shall recreate case circumstances using the correct county processing time frames based on what the recipient should have reported.

HANDBOOK BEGINS HERE

~~Handbook Section 44-352.121(a)(2)(QR) shall become inoperative and Handbook Section 44-352.121(a)(2)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to County's SAR Declaration.~~

~~(QR) In the quarter designated as October/November/December 2004, the county determines through an IEVS match that an AU had income that exceeded the IRT early January 2005 (January 5). (The quarter in which the income was received was January/February/March). The AU is still receiving the same level of income in the current July/August/September 2005 quarter and has never reported the income in a mid-quarter report or on any of the QR 7s that have been submitted. The county determines that the AU should have reported this change by January 15, and should have been discontinued due to financial ineligibility effective January 31. The AU should be discontinued with a 10-day notice and an overpayment would be established beginning February 1 through the month of discontinuance.~~

(SAR) In the SAR Payment Period designated as July through December, an AU has no income and is receiving the Maximum Aid Payment amount. On October 10, the county determines through an IEVS match that the AU got

income that exceeded the IRT beginning on January 5 of the previous SAR Payment Period. The AU is still receiving the same level of income in the current SAR Payment Period and has never reported the income on a mid-period report or on the SAR 7 that was submitted in June. The county determines that the AU should have reported this change by January 15, and should have had their grant decreased due to the increased income effective January 31. The AU's grant shall be decreased on November 1, with a 10-day notice, and an overpayment would be established for February through October.

(AR/CO) In the AR/CO Payment Period designated as July through June, an AU has no income and is receiving the Maximum Aid Payment amount. On October 10, the county determines through an IEVS match that the AU got income that exceeded the IRT beginning on January 5 of the previous AR/CO Payment Period. The AU is still receiving the same level of income in the current AR/CO Payment Period and has never reported the income. The county determines that the AU should have reported this change by January 15, and should have had their grant decreased due to the increased income effective January 31. The AU's grant shall be decreased on November 1, with a 10-day notice, and an overpayment would be established for February through October.

HANDBOOK ENDS HERE

(b) (Continued)

.125 The total overpayment is the sum of all amounts calculated in Section 44-352.124.

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EXAMPLES

<u>Factors</u>	<u>Computations</u>	
	(.121)	(.125)
<u>Aid</u>	Correct	
<u>Paid</u>	<u>Grant</u>	<u>Overpayment</u>
1. Earned Income	\$1,025	
Reported Income	1,025	

Income Disregard		- <u>112 225</u>
Subtotal		<u>913 800</u>
50% Earned Income Disregard		- <u>457 400</u>
Total Net Nonexempt Income		<u>456 400</u>

MAP for Five	\$ <u>860 909</u>	\$ <u>860 909</u>
Total Net Nonexempt Income		- <u>456 400</u>
Aid Payment	\$ <u>860 909</u>	\$ <u>336 509</u>

Potential Overpayment (Aid		\$ <u>860 909</u>
Paid Less Correct Grant)		- <u>336 509</u>
		\$ <u>524 400</u>

* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP Section 44-315.34

2. Earned Income		\$ 500
Reported Income		\$ 500
Income Disregard		- <u>112 225</u>
Subtotal		<u>388 275</u>
50% Earned Income Disregard*		- <u>194 137</u>
Total Net Nonexempt Income*		<u>194 137</u>

MAP for Three	\$ <u>638 670</u>	\$ <u>638 670</u>
Total Net Nonexempt Income*		- <u>194 137</u>
Aid Payment	\$ <u>638 670</u>	<u>444 533</u>

Overpayment (Aid		\$ <u>638 670</u>
Paid Less Correct Grant)*		- <u>444 533</u>
		\$ <u>194 137</u>

* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP Section 44-315.34

HANDBOOK ENDS HERE

.2 Amount That Can Be Recovered (Continued)

.4 Methods of Recovery

All of the following methods may be used concurrently. However, those methods should be used that will result in the maximum recovery.

.41 Grant Adjustments

~~Section 44-352.41(QR) shall become inoperative and Section 44-352.41(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Under QR/PB, recoupment by grant adjustment shall only be initiated at the beginning of a QR Payment Quarter. Grant adjustment shall be discontinued mid-quarter when the debt is paid in full. A new overpayment collection may continue mid-quarter by grant adjustment if the new collection of the overpayment does not decrease aid mid-quarter.~~

(SAR) Under SAR, recoupment by grant adjustment shall only be initiated at the beginning of a SAR Payment Period. Grant adjustment shall be discontinued mid-period when the debt is paid in full. A new overpayment collection may continue mid-period by grant adjustment if the new collection of the overpayment does not decrease aid mid-period.

(ARCO) Under AR/CO, recoupment by grant adjustment shall be initiated mid-period. Grant adjustment shall be discontinued mid-period when the debt is paid in full.

.42 (Continued)

Authority cited: Sections 10553, 10554, and 11004(h), Welfare and Institutions Code.

Reference: Sections 10553, 10554, 11004, 11004.1, 11008 (Ch. 270, Stats. 1997), 11017, 11155, 11155.1, 11155.2, 11257, 11265.1, 11265.2, 11265.45, 11265.47, 11450, 11450.5, 11451.5, 11452, 11453, and 11453.2, Welfare and Institutions Code; Darces v. Woods (1984) 35 Cal.3rd 871:201 Cal.Rptr. 807, and Ortega v. Anderson, Case No. 746632-0 (Alameda Superior Court) July 11, 1995.

Amend Section 48-001 to read:

48-001 COUNTY DEPARTMENT RESPONSIBILITY FOR RECORDS 48-001

.1 The county shall maintain a record for each applicant and recipient which identifies each individual and family, their address and household composition for CalWORKs. The record shall identify each child and his/her parents, their address and household composition. (See Section 20-005 on record requirements for fraud cases.) The record shall also include:

.11 Records - Eligibility and Grant (Continued)

~~.114 Section 48-001.114(QR) shall become inoperative and Section 48-001.114(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) The basis for county action granting, denying, changing, not changing following a recipient mid-quarter report, delaying, cancelling, or discontinuing aid.~~

~~(SAR) The basis for county action granting, denying, changing, not changing following a recipient mid-period report, delaying, cancelling, or discontinuing aid. (Continued)~~

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 11265.3, Welfare and Institutions Code.

Amend Section 80-301 to read:

80-301 DEFINITIONS

80-301

The following definitions apply to the regulations in Divisions 40 through 50 and 80 through 90.

- (a) (1) Aid Payment "Aid Payment" means any payment made to an AU. (Continued)
- (5) Annual Reporting/Child Only "Annual Reporting/Child Only" (AR/CO) is a reporting system for a CalWORKs AU that does not include an eligible adult, with the exception of an adult who has been sanctioned due to non-compliance with welfare-to-work (WTW) requirements (per section 42-721). Under AR/CO, in addition to certain mandatory mid-period reports, recipients are required to submit an eligibility report every twelve months (one SAWS 2 per year).
- (56) Applicant (Continued)
- (67) Applicant Child (Continued)
- (78) Assistance Unit (AU) (Continued)
- (c) (1) California Domestic Partner (Continued)
- (6) ~~Section 80-301(c)(6)(QR) shall become inoperative and Section 80-301(c)(6)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~
- (QR) ~~County Initiated Actions~~ "County Initiated Actions" means Mid-quarter actions that the county is required to take pursuant to Section 44-316.33(QR).
- (SAR) County-Initiated Actions "County-Initiated Actions" means mid-period actions that the county is required to take pursuant to Section 44-316.33(SAR). (Continued)
- (m) (1) Mandatory Inclusion (Continued)

- (2) ~~Section 80-301(m)(2)(QR) shall become inoperative and Section 80-301(m)(2)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~
- (QR) ~~Mandatory Recipient Reports~~ ~~"Mandatory Recipient Reports" means mid-quarter reports that recipients are required to make within ten days of occurrence to the county pursuant to Section 44-316.32(QR).~~
- (SAR) ~~Mandatory Mid-Period Reports~~ "Mandatory Mid-Period Reports" means mid-period reports that recipients are required to make within ten days of occurrence to the county pursuant to Section 44-316.32(SAR).
- (3) ~~Medical Verification~~ (Continued)
- (4) ~~Section 80-301(m)(4)(QR) shall become inoperative and Section 80-301(m)(4)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~
- (QR) ~~Mid-Quarter Reports~~ ~~"Mid-Quarter Reports" means any change reported during the QR Payment Quarter outside of the QR 7 report process.~~
- (SAR) ~~Mid-Period Reports~~ "Mid-Period Reports" means any change reported during the SAR Payment Period outside of the SAR 7 or SAWS 2 reporting process.
- (ARCO) Mid-Period Reports "Mid-Period Reports" means any change reported during the AR/CO Payment Period outside of the SAWS 2 reporting process.
- (5) ~~Minor Parent~~ (Continued)
- (s) (1) ~~Sanction~~ (Continued)
- (3) ~~Section 80-301(s)(3)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

- (SAR) Semi-Annual Report Under the ~~SAR~~ Semi-Annual Reporting system, a semi-annual eligibility report is due every six months: one SAR 7 and one SAWS 2 per year. A SAR 7 is due in the sixth (6th) month of the SAR Payment Period after the application or annual redetermination of eligibility (SAWS 2) is completed.
- (4) ~~Section 80-301(s)(4)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~
- (SAR) Semi-Annual Reporting (SAR) SAR is the reporting system that ~~will~~ replaced Quarterly Reporting ~~in counties in between April and October of 2013~~. Under SAR, in addition to certain mandatory mid-period reports, recipients ~~will only have~~ are required to submit an eligibility report every six months (one SAWS 2 and one SAR 7 per year). (Continued)
- (v) (1) ~~Section 80-301(v)(1)(QR) shall become inoperative and Section 80-301(v)(1)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~
- (QR) Voluntary Recipient Reports ~~"Voluntary Recipient Reports" means mid-quarter reports that recipients may make to the county pursuant to Section 44-316.31(QR).~~
- (SAR) Voluntary Recipient Reports "Voluntary Recipient Reports" means mid-period reports that recipients may make to the county pursuant to Section 44-316.31(SAR). (Continued)

Authority cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: Sections 10054, 10058, 10063, 10553, 10554, 10604, 10830, 11008.13, 11008.14, 11023.5, 11051, 11054, 11201, 11203, 11250, 11250.4, 11265.2, 11265.3, 11265.45, 11266, 11269, 11320, 11400, 11450, 11486, 16501.1, and 16507, Welfare and Institutions Code; Sections 297, 297.5, 298.5, and 299.2, Family Code; 8 CFR 213a. and 299; 45 CFR 201.3, 206.10, 224.51, 232.12, 233.10, 233.106, 233.20, 233.51, 233.60, 233.90, 237.50, 255, and 266.10; 42 USC 402(a)(6) and 606(a); and SSA-AT-86-01; Federal Register, Vol. 75, No. 19, dated January 29, 2010, pages 4928 and 4929 [7 CFR 273.12(a)(1)(vii)].

Amend Section 80-310 to read:

80-310 DEFINITIONS - FORMS

80-310

The following forms apply to the regulations in Divisions 40 through 50 and 80 through 89.

(a) ~~(Reserved)~~

(ARCO) (1) AR 2

The "Reporting Changes for CalWORKs and CalFresh" (Rev. 11/13) may be used to inform the recipient under AR/CO in CalWORKs and those with CalFresh Change Reporting responsibilities of their Income Reporting Threshold (IRT) and reporting responsibilities.

(ARCO) (2) AR 2 SAR

The "Reporting Changes for CalWORKs and CalFresh" (Rev 11/13) may be used to inform the recipient under AR/CO in CalWORKs and those with CalFresh Semi-Annual Reporting responsibilities of their Income Reporting Threshold (IRT) and reporting responsibilities.

(ARCO) (3) AR 3

The "Mid-Year Status Report for CalWORKs and CalFresh" (Rev. 12/12) may be used by recipients to report mandatory and/or voluntary mid-period changes in writing. Clients are not mandated to use this form and counties shall also accept mid-period reports that are submitted in a manner other than on the AR 3.

(b) (Reserved)

(c) (1) CCP 1

(Continued)

~~(QR) (9) CW 23~~

~~Section 80-310(c)(9)(QR) shall become inoperative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~The "Senior Parent Statement of Facts" (Rev. 3/00) is used to collect information about the senior parent/legal guardian's income to determine a minor parent's eligibility. This form replaces the CA 23. Once SAR is implemented, the CW 23 will be replaced with the SAR 23.~~

~~(SAR)~~ (109) CW 25A

~~Section 80 310(c)(10)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

The "Payee Agreement For Minor Parent" (Rev. 2/13) is used in minor parent cases to delegate an adult payee. This form ~~will~~ replaces the QR 25A once SAR is implemented in each county.

~~(SAR)~~ (110) CW 29

~~Section 80 310(c)(11)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

The "Applicant Test" (Rev. 1/13) is used to determine if the applicant is eligible for Cash Aid. This form ~~will~~ replaces the QR 29 once SAR is implemented in each county.

~~(SAR)~~ (121) CW 30

~~Section 80 310(c)(12)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

The "CalWORKs Budget Worksheet" (Rev. 4/13) is used to determine the aid payment amount for the AU. This form replaces the QR 30.

(132) CW 42

The "Statement of Facts – Homeless Assistance (Rev. 11/06)" is used to gather information to determine eligibility for non-recurring special need for homeless assistance. This form replaces the CA 42.

(143) CW 371

The "Referral to Local Child Support Agency (LCSA)" (Rev. 7/01) is used to refer cases to the Local Child Support Agency for child support enforcement purposes. This form replaces the CA 371.

~~(SAR)~~ (154) CW 2103

~~Section 80 310(c)(14)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

The "Reminder for Teens Turning 18 Years Old" (Rev. 2/13) is used to inform recipient children who will be turning 18 within 60 days of the requirements for continued eligibility. This form ~~will~~ replaces the QR 2103 ~~once SAR is implemented in each county.~~

(15) CW 2211

The "Your CalWORKs Reporting Rules Have Changed" (9/13) form is used to inform recipients when their case is moving from SAR to AR/CO. It includes a description of the basic differences between the two reporting systems and describes the mandatory reporting requirements under AR/CO.

(16) CW 2212

The "The Rules for Your CalWORKs Case Have Changed" (9/13) form is used to inform recipients when their case is moving from AR/CO to SAR. It includes a description of the basic reporting requirements under SAR.

(d) (1) DHS 6110

(Continued)

(q) (Reserved)

~~Sections 80-310(q)(1)(QR) through (11)(QR) shall become inoperative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

(QR) (1) QR-2

~~The "Reporting Changes for Cash Aid and Food Stamps" (Rev. 6/04) may be used to inform the recipient of their Income Reporting Threshold (IRT) and reporting responsibilities.~~

(QR) (2) QR-3

~~The "Mid Quarter Status Report" (Rev. 7/06) may be used by recipients to report mandatory and/or voluntary mid-quarter changes in writing. Clients are not mandated to use this form and counties shall also accept mid-quarter reports that are submitted in a manner other than on the QR-3.~~

(QR) (3) QR-7

~~The "Eligibility/Status Report" (Rev. 12/08) is used to collect information to determine eligibility and benefits for cash aid and food stamps. The QR-7 comes with an addendum that lists examples of income and expenses and the penalties for fraud.~~

- (QR) (4) QR-7A The "~~How to Fill Out Your QR 7 Quarterly Eligibility/Status Report~~" (Rev. 8/09) instructs recipients on how to fill out the Quarterly Report (QR 7). The QR 7A shall be given to applicants at the time of application and to recipients at each annual redetermination. The form shall also be made available anytime the client requests it.
- (QR) (5) QR-22 The "~~Sponsor's Statement of Facts Income and Resources (Supplemental Application For Food Stamps And Cash Aid)~~" (Rev. 12/06) is used to collect necessary information about a noncitizen's sponsor for determining eligibility for the noncitizen.
- (QR) (6) QR-25A The "~~Payee Agreement For Minor Parent~~" (Rev. 5/04) is used in minor parent cases to delegate an adult payee.
- (QR) (7) QR-29 The "~~Applicant Test~~" (Rev. 5/04) is used to determine if the applicant is eligible for Cash Aid.
- (QR) (8) QR-30 The "~~CalWORKs Budget Worksheet~~" (Rev. 9/11) is used to determine the aid payment amount for the AU.
- (QR) (9) QR-72 The "~~Sponsor's Quarterly Income and Resources Report~~" (Rev. 12/06) is used to gather necessary information each quarter from a noncitizen's sponsor that is used to determine continuing eligibility and grant level for the noncitizen.
- (QR) (10) QR-73 The "~~Senior Parent Quarterly Income Report~~" (Rev. 6/04) is used to collect necessary information from the senior parent to determine continuing eligibility and grant levels for the minor parent.
- (QR) (11) QR-2103 The "~~Reminder for Teens Turning 18 Years Old~~" (Rev. 11/11) is used to inform recipient children who will be turning 18 within 60 days of the requirements for continued eligibility.
- (r) (Reserved)
- (s) Sections 80-310(s)(1)(SAR) through (s)(10) (SAR) shall become operative in a county on the date SAR

~~becomes effective in that county, pursuant to the County's SAR Declaration. (Continued)~~

- ~~(SAR)~~ (6) SAR 22 The "Sponsor's Statement of Facts Income and Resources (Supplement to the SAWS 2, Application For CalFresh And Cash Aid)" (Rev. 3/13) is used to collect necessary information about a noncitizen's sponsor for determining eligibility for the noncitizen. The SAR 22 must be completed in addition to the SAWS 2 when a recipient is a sponsored non-citizen. This form replaces the QR 22.
- ~~(SAR)~~ (7) SAR 23 The "Senior Parent Statement of Facts" (Rev. 3/13) is used to collect information about the senior parent/legal guardian's income to determine a minor parent's eligibility. This form replaces the CW 23. (Continued)
- (12) ~~Section 80 310(s)(11)(QR) shall become inoperative and Section 80 310(s)(11)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~
- ~~(QR)~~ SAWS 2A QR The "Rights, Responsibilities and Other Important Information" (Rev. 9/11) is used to inform applicants and recipients of their rights and responsibilities.
- ~~(SAR)~~ SAWS 2A SAR The "Rights, Responsibilities and Other Important Information" (Rev. 4/13) is used to inform applicants and recipients of their rights and responsibilities. (Continued)
- (t) (1) TEMP 2189 (Continued)
- (ARCO) (5) TEMP AR 1 The "New Reporting Requirements for CalWORKs and CalFresh" (Rev. 2/13) is a mass informing notice sent to recipients prior to the implementation of AR/CO. The informing notice shall be given to all applicants who apply during the reporting transition and recipients child-only cases. This notice explains the change from quarterly reporting to annual reporting.

- (56) ~~Section 80-310(t)(5)(QR) shall become inoperative and Section 80-310(t)(5)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~
- (QR) TEMP-QR-1 ~~The "New Reporting Requirements for CalWORKs and Food Stamp Recipients" (Rev. 8/03) is a mass informing notice sent to recipients on a monthly basis for a period of three months before and three months after implementation of QR/PB. The informing notice shall be given to applicants who apply during the reporting transition. This notice explains the change from monthly reporting to quarterly reporting.~~
- (SAR) TEMP SAR 1 ~~The "New Reporting Requirements for Cash Aid and CalFresh " (Rev. 9/13) is a mass informing notice sent to recipients prior to the implementation of SAR. The informing notice shall be given to applicants who apply during the reporting transition. This notice explains the change from quarterly reporting to semi-annual reporting.~~
- (67) TLR 1 (Continued)

Authority cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: 45 CFR 206.10(a)(8); Sections 10553, 10950, 11054, 11265.1, 11265.2, 11265.3, 11450(b), 12300, 12300.2, 12304, 12304.5, and 14132.95, Welfare and Institutions Code; Judgment Re: Tyler v. Anderson, Sacramento Superior Court Case No. 376230, dated January 22, 1999; 8 USC Section 1631; and 1798.17, Civil Code.

Amend Section 82-612 to read:

82-612 UNEMPLOYMENT INSURANCE BENEFITS (UIB) (Continued) 82-612

.3 Date of Discontinuance ~~Section 82-612.3(QR) shall become inoperative and Section 82-612.3(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR)~~ ~~The county shall discontinue the AU at the end of the QR Payment Quarter in which a person who is required to apply for or accept UIB fails to do so, or fails to meet one of the eligibility conditions in Section 82-612.7.~~

(SAR) The county shall discontinue the AU at the end of the SAR Payment Period in which a person who is required to apply for or accept UIB fails to do so, or fails to meet one of the eligibility conditions in Section 82-612.7. (Continued)

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 11265.2 and 11270, Welfare and Institutions Code and 45 CFR 233.20(a)(3)(ix).

Amend Section 82-812 to read:

82-812	TEMPORARY ABSENCE (Continued)	82-812
.6	Exceptions to One Full Calendar Month Time Limitation	Exceptions include: (Continued)
.68		Children Receiving Out-of-Home Care (Continued)
.687		The following are eligibility and reporting requirements that will apply to the family reunification parent.
	(a)	Section 82-812.687(a)(QR) shall become inoperative and Section 82-812.687(a)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.
	(QR)	Quarterly eligibility reporting requirements for reunification cases are set forth in Section 40-181.223(QR).
	(SAR)	Semi-Annual eligibility reporting requirements for reunification cases are set forth in Section 40-181.223(SAR). (Continued)

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 11203, 11269, 11323.4, 11327.5(d), and 11454, Welfare and Institutions Code; and 42 USC 608(a)(10).

Amend Section 82-820 to read:

82-820 INCLUDED PERSONS (Continued) 82-820

.3 Mandatory Inclusion ~~Section 82-820.3(QR) shall become inoperative and Section 82-820.3(SAR) shall become operative in a county on the date that SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) The AU shall include the following persons when living in the same home and eligible at the time of initial family application (see Section 44-317) or at the beginning of the QR Payment Quarter following the mandatory reporting of the individual on the QR 7 (see Section 44-318):~~

(SAR) The AU shall include the following persons when living in the same home and eligible at the time of initial family application (see Section 44-317) or at the beginning of the SAR Payment Period following the mandatory reporting of the individual on the SAR 7 or SAWS 2 (see Section 44-318(SAR)):

(AR/CO) The AU shall include the following persons when living in the same home and eligible at time of initial family application (see section 44-317) or the first of the month following the month the change was reported (see section 44-318(AR/CO)):

.31 Applicant Child (Continued)

Authority cited: Sections 10553, 10554, 10604, and 11369, Welfare and Institutions Code.

Reference: 42 USCA 606; 45 CFR 206.10(a)(1); 45 CFR 233.10(a)(1), (a)(1)(iv) and (vii); 45 CFR 233.90(c)(1)(v)(A); 45 CFR 237.50(b)(5); 45 CFR 250.34; SSA-AT-86-01; Section 242, California Civil Code; Edwards v. Healy, Civ. S. 91-1473 DFL (1992); Sections 10553, 10554, 10604, 11000, 11254, 11265.3, 11265.47, 11400, 11450, and 11450.16, Welfare and Institutions Code; and ACF-AT-94-5; Federal Register, Vol. 75, No. 19, dated January 29, 2010, pages 4928 and 4929 [7 CFR 273.12(a)(1)(vii)].

Amend Section 82-824 to read:

82-824 ASSISTANCE UNITS THAT SHALL BE COMBINED 82-824

.1 Combining AUs Two or more AUs in the same home shall be combined into one AU when: (Continued)

~~.14 Section 82-824.14(QR) et seq. shall become inoperative and Section 82-824.14(SAR) et seq. shall become operative in a county on the date that SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) .14 Combining AUs Mid-Quarter~~

~~(QR) .141 When a voluntary report is made that would combine separate AUs mid-quarter, the county shall determine if the mid-quarter action of combining the AUs would increase or decrease aid for the separate AUs.~~

~~(QR) .142 The county shall compare the monthly grant for the combined AUs to the total combined monthly grants of the separate AUs.~~

~~(QR) .143 If the combined AU's monthly grant would be higher than the total combined monthly grant of two separate AUs, the county shall take mid-quarter action to combine the AUs the first of the month following the voluntary report.~~

~~(QR) .144 If the combined AU's monthly grant does not result in an increase to the total combined monthly grant of the separate AUs, the county shall not take mid-quarter action to combine the AUs. The combining of the separate AUs shall be effective the first of the next QR Payment Quarter, after the change(s) is reported on the QR 7.~~

~~(SAR) .14 Combining AUs Mid-Period~~

~~(SAR) .141 When a voluntary report is made that would combine separate AUs mid-period, the county shall determine if the mid-period action of combining the~~

AUs would increase or decrease aid for the separate AUs.

~~(SAR)~~ .142

The county shall compare the monthly grant for the combined AUs to the total combined monthly grants of the separate AUs.

~~(SAR)~~ .143

If the combined AU's monthly grant would be higher than the total combined monthly grant of two separate AUs, the county shall take mid-period action to combine the AUs the first of the month following the voluntary report.

~~(SAR)~~ .144

If the combined AU's monthly grant does not result in an increase to the total combined monthly grant of the separate AUs, the county shall not take mid-period action to combine the AUs. The combining of the separate AUs shall be effective the first of the next SAR Payment Period, after the change(s) is reported on the SAR 7 or SAWS 2.

[Previous Cite: 44-205.3]

Authority cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: 45 CFR 206.10(a)(1); 45 CFR 233.90; 45 CFR 237.50(b)(5); United States Department of Health and Human Services, Office of Family Assistance, Aid to Families with Dependent Children Action Transmittal No. SSA-AT-86-1; Section 242, California Civil Code; Anderson v. Edwards 115 S.Ct. 1291 (1995); and Sections 10553, 10554, 10604, 11000, 11265.3, and 11450, Welfare and Institutions Code; Federal Register, Vol. 75, No. 19, dated January 29, 2010, pages 4928 and 4929 [7 CFR 273.12(a)(1)(vii)].

Amend Section 82-832 to read:

82-832 EXCLUDED PERSONS (Continued)

82-832

.3 Add a Person Who Becomes Ineligible Prior to Authorization of Aid

~~Section 82-832.3(QR) shall become inoperative and Section 82-832.3(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR)~~

~~A new person who has been mandatorily reported on the QR 7 and determined eligible based on the QR 7 information, shall be treated as an excluded person for the next QR Payment Quarter when ineligibility occurs after the QR Data Month but prior to the authorization of aid (see Section 40-171.221). This person's income and needs, as reported on the QR 7, shall be treated in accordance with Section 44-133.5 for the next QR Payment Quarter and the AU shall be discontinued at the end of that quarter in which the individual was treated as an excluded person, if the subsequent QR 7 establishes that ineligibility continues to exist for the AU.~~

(SAR)

A new person who has been mandatorily reported on the SAR 7 and determined eligible based on the information provided, shall be treated as an excluded person for the next SAR Payment Period when ineligibility occurs after the SAR Data Month but prior to the authorization of aid (see Section 40-171.221). This person's income and needs, as reported on the SAR 7, shall be treated in accordance with Section 44-133.5 for the next SAR Payment Period and the AU shall be discontinued at the end of that SAR Period in which the individual was treated as an excluded person, if the following SAWS 2 establishes that ineligibility continues to exist for the AU.

(a)

~~Section 82-832.3(a)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

(SAR)

If a new person is mandatorily reported on the SAWS 2 and ineligibility occurs before the redetermination is processed and aid is authorized, the new person shall not be added to the AU. Furthermore, if the new person is found to make the entire AU ineligible, aid will be discontinued for the entire AU at the end of the SAR Payment Period in which the new person was mandatorily reported. (See section 40-105.1 for applicant and recipient reporting responsibilities and county action.)

(AR/CO)

If a new person is mandatorily reported on the SAWS 2 and ineligibility occurs before the redetermination is processed and aid is authorized, the new person shall not be added to the AU. Furthermore, if the new person is found to make the entire AU ineligible, aid will be discontinued for the entire AU at the end of the month in which the new person was mandatorily reported.

(AR/CO)

If a new person is mandatorily reported mid-period and ineligibility occurs before the application for the new person is processed and aid is authorized, the new person shall not be added to the AU. Furthermore, if the new person is found to make the entire AU ineligible, aid will be discontinued for the entire AU at the end of the month in which the new person was mandatorily reported.

HANDBOOK BEGINS HERE

~~Handbook Section 82-832.3(QR) shall become inoperative and Handbook Section 82-832.3(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR)~~ Example:

~~An AU is aided based on absent parent deprivation. The current QR Payment Quarter is January/February/March. In January, the absent father returned to the home and is reported for the first time on the QR 7 for the Data Month of February. The father, who was determined to be the principal earner, was receiving UIB in the first month (January) and in the Data Month and was initially determined eligible as an unemployed parent based on the QR 7 information. However, when the county completed the interview in the Submit Month, it was learned that the father had accepted a full-time job in the Submit Month of March. Since the principal earner has accepted full-time employment and deprivation due to unemployment was not established prior to the authorization of aid~~

~~for the father, the county shall deny aid to the father in accordance with Section 40-171.221(g) and instruct the AU to report the father's full-time employment on the QR 7 due in June (for May). Because ineligibility for the father has occurred after the QR Data Month but prior to the authorization of aid, his reasonably anticipated income as reported on the QR 7 for February, and his needs shall be treated as those of an excluded person in accordance with Section 44-133.5 for the next QR Payment Quarter. The existing AU's deprivation is not affected until the father's full-time employment that occurred mid-quarter (in March) is reported on the subsequent QR 7. If the subsequent QR 7 establishes that ineligibility exists for the AU, the county shall discontinue cash aid at the end of that quarter once timely and adequate notice has been provided.~~

(SAR) Example 1:

An AU is aided based on absent parent deprivation. The current SAR Payment Period is January through June. In March, the absent father returned to the home and is reported for the first time on the SAR 7 for the Data Month of May. The father, who was determined to be the principal earner, was receiving UIB in the Data Month and was initially determined eligible as an unemployed parent based on the SAR 7 information. However, when the county completed the interview in the Submit Month, it was learned that the father had accepted a full-time job in the Submit Month of June. Since the principal earner has accepted full-time employment and deprivation due to unemployment was not established prior to the authorization of aid for the father, the county shall deny aid to the father in accordance with Section 40-171.221(g) and instruct the AU to report the father's full-time employment on the SAWS 2 due in December (for November). Because ineligibility for the father has occurred after the SAR Data Month but prior to the authorization of aid, his reasonably anticipated income as reported on the SAR 7 for May, and his needs shall be treated as those of an excluded person in accordance with Section 44-133.5 for the next SAR Payment Period. The existing AU's deprivation is not affected until the father's full-time employment that occurred mid-period (in June) is reported on the subsequent SAWS 2. If the subsequent SAWS 2 establishes that ineligibility exists for the AU, the county shall discontinue cash aid at the end of that SAR Period once timely and adequate notice has been provided.

(SAR) Example 2:

An AU is aided based on absent parent deprivation. The current SAR Payment Period is January through June. In March, the absent father returned to the home and is reported for the first time on the SAWS 2 in June. The father, who was determined to be the principal earner, was receiving UIB at the time the SAWS 2 was completed and was initially determined eligible as an unemployed parent based on the SAWS 2 information. However, when the county completed the interview in the Submit Month, it was learned that the father had accepted a full-time job. Since the principal earner has accepted full-time employment and deprivation due to unemployment was not established prior to the authorization of aid for the father, the county shall deny aid to the father in accordance with Section 40-171.221(g). Furthermore, since the AU no longer meets the deprivation

requirements to be eligible for aid, the entire AU will be discontinued effective June 30, with timely and adequate notice.

(AR/CO) Example 1:

An AU is aided based on absent parent deprivation. The current AR/CO Payment Period is January through December. In March, the absent father returned to the home and is reported to the County. The father, who was determined to be the principal earner, was receiving UIB at the time the report was made that he returned to the home and was initially determined eligible as an unemployed parent based on the information completed on the Statement of Facts to Add an Additional Person (CW 8). However, when the county completed the interview with the father, it was learned that the father had accepted a full-time job. Since the principal earner has accepted full-time employment and deprivation due to unemployment was not established, the county shall deny aid to the father in accordance with Section 40-171.221(g). Furthermore, since the AU no longer meets the deprivation requirements to be eligible for aid, the entire AU will be discontinued effective March 31, with timely and adequate notice.

HANDBOOK ENDS HERE

[Previous cite: 44-206]

Authority cited: Sections 10553, 10554, 10604, 11270, and 11369, Welfare and Institutions Code.

Reference: 8 CFR 213a. and 299; 45 CFR 205.42(d)(2)(v)(A) and (B), as printed in Federal Register, Vol. 57, No. 198, Tuesday, October 13, 1992, page 46808, 45 CFR 205.52, 45 CFR 206.10(a)(5)(i), 45 CFR 232.12(d), 45 CFR 233.10(a)(1)(i), (a)(1)(i)(B), and (a)(3), 45 CFR 233.20(a)(1)(i), (a)(3)(ii)(C) and (F), and (a)(3)(ix), 45 CFR 233.50, 45 CFR 233.51, 45 CFR 233.90(c), (c)(1), and (c)(2)(iv), 45 CFR 233.100(a)(5)(ii), 45 CFR 233.106, 45 CFR 240.22, and 45 CFR 250.34(a) and (c), and (c)(2); and Sections 11008.13, 11104, 11157, 11201(b), 11203, 11251.3, 11263.5, 11265.1, 11265.2, 11265.3, 11268, 11270, 11315, 11320.6(e), 11327.5(c), 11406.5, 11450, 11450.5, 11454, 11454.5, 11477, 11477.02, 11486, and 11486.5, Welfare and Institutions Code; and the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996, Section 115; Federal Register, Vol. 75, No. 19, dated January 29, 2010, pages 4928 and 4929 [7 CFR 273.12(a)(1)(vii)].

Amend Section 89-110 to read:

89-110 MAXIMUM AID PAYMENT (MAP) LEVEL AND MAP RESTRICTION 89-110

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- .1 MAP Amount See Section 44-315.321, Handbook for the MAP levels in effect as of ~~7/1/2012~~ 3/1/2014.

HANDBOOK ENDS HERE

- .2 Exempt and Nonexempt AUs The CWD shall determine whether an AU is an Exempt or Nonexempt AU for purposes of the MAP amounts specified in Section 44-315.311 by using the rules in this section. (Continued)

- .26 Review of AU Exemption Status The CWD shall review AU exemption status when: (Continued)

.262 ~~Section 89 110.262(QR) shall become inoperative and Section 89 110.262(SAR) shall become operative in a county on the date that SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

(QR) Quarterly Eligibility Report Received ~~The county processes the Quarterly Eligibility Report submitted by the AU.~~

(SAR) Semi-Annual Eligibility Report Received The county processes the SAR 7 or the SAWS 2 submitted by the AU. (Continued)

.28 ~~Section 89 110.28(QR) et seq. shall become inoperative and Section 89 110.28(SAR) shall become operative in a county on the date that SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

(QR) Use of Exempt/Nonexempt Amount ~~The county shall use the Exempt or Nonexempt AU MAP corresponding to the AU's MAP status that is reasonably anticipated for the QR Payment Quarter. (Also see Sections 89 110.291(QR) and .292(QR).)~~

(SAR) Use of Exempt/Nonexempt Amount	The county shall use the Exempt or Nonexempt AU MAP corresponding to the AU's MAP status that is reasonably anticipated for the SAR Payment Period. (Also see Sections 89-110.291(SAR) and 89-110.292(SAR).)
<u>(AR/CO) Use of Exempt/Nonexempt Amount</u>	<u>The county shall use the Exempt or Nonexempt AU MAP corresponding to the AU's MAP status that is reasonably anticipated for the AR/CO Payment Period. (Also see Sections 89-110.291 (AR/CO) and 89-110.292(AR/CO).)</u>
.29	When the AU status changes between exempt and nonexempt, the county shall change the MAP status effective as follows:
.291	Section 89-110.291(QR) shall become inoperative and Section 89-110.291(SAR) shall become operative in a county on the date that SAR becomes effective in that county, pursuant to the County's SAR Declaration.
(QR)	If the change is reported on the QR 7, the change in status shall be effective the first day of the next QR Payment Quarter.
(SAR)	If the change is reported on the SAR 7 or the SAWS 2, the change in status shall be effective the first day of the next SAR Payment Period.
<u>(AR/CO)</u>	<u>If the change is reported on the SAWS 2, the change in status shall be effective the first day of the next AR/CO Payment Period.</u>
.292	Section 89-110.292(QR) shall become inoperative and Section 89-110.292(SAR) shall become operative in a county on the date that SAR becomes effective in that county, pursuant to the County's SAR Declaration.
(QR)	If the change is reported mid-quarter and the change in status will increase cash aid as specified in Section 44-316.31(QR), the change in status shall be effective the first day of the month following the report of the change when verification has been provided.

(SAR) If the change is reported mid-period and the change in status will increase cash aid as specified in Section 44-316.31(SAR), the change in status shall be effective the first day of the month following the report of the change when verification has been provided.

(AR/CO) If the change is reported mid-period and the change in status will increase cash aid as specified in Section 44-316.31(AR/CO), the change in status shall be effective the first day of the month following the report of the change when verification has been provided.

(AR/CO) (a) If a change in household composition is reported mid-period and the change results in a change in MAP status which will increase or decrease cash aid, the change in status effective date shall be determined pursuant to section 44-316.325 (AR/CO).

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~~.3 Handbook Section 89-110.3(QR) shall become inoperative and Handbook Section 89-110.3(SAR) shall become operative in a county on the date that SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Examples of Exempt and Nonexempt AUs, Financial Eligibility Determination, Quarterly MAP Status Determination, and Mid-Quarter MAP Status Changes~~

~~(SAR) Examples of Exempt and Nonexempt AUs, Financial Eligibility Determination, Semi-Annual MAP Status Determination, and Mid-Period MAP Status Changes~~

.31 Examples of Exempt and Nonexempt AUs

(SAR) Example 1 – Exempt AU – Receipt of SDI and SSI/SSP

The family consists of two parents and their two children with eligibility based upon incapacity. One parent receives SDI and the second parent receives SSI/SSP. Since each parent receives one of the benefits specified in Section 89-110.22, the CWD uses the Exempt MAP.

(SAR) Example 2 – Exempt AU – Disabled Pregnant Woman Only (PWO)

Because a pregnant woman is the only member of her AU and receives one of the benefits specified in 89-110.22, the CWD uses the Exempt MAP.

(SAR) Example 3 – Nonexempt AU – Receipt of Private Disability Insurance

The AU consists of a parent and his aided child. The parent receives private insurance benefits from his employer; however, this income is not one of the benefits specified in Section 89-110.22 and the parent does not meet any other criterion to receive an exemption. The CWD uses the Nonexempt MAP.

(ARCO) Example 4 – Exempt AU – Unaided Non-Parent Caretaker Relative

An aunt is receiving aid for her nephew. The AU consists of the child only. The CWD uses the Exempt MAP as the aunt meets the exemption in 89-110.23; she is an unaided non-parent caretaker relative.

(SAR) Example 5 – Nonexempt AU – Parent with SSI/SSP Child

The AU consists of a mother and her child, who receives SSI/SSP. The mother does not receive one of the benefits specified in Section 89-110.22 or meet any other criterion to receive an exemption. Because the parent in the AU must meet the criteria in Section 89-110.21 and .22, the CWD uses the Nonexempt MAP.

(ARCO) Example 5a – Exempt AU – SSI/SSP Parent with Child.

The AU consists of a father who receives SSI/SSP and his child. The father receives one of the benefits in Section 89-110.22. The CWD uses the Exempt MAP.

(SAR) Example 6 – Nonexempt AU – Minor Parent

The AU consists of a senior parent and her children. One of the senior parent's children is a 17-year-old minor parent. The minor parent's child is also in the AU. The senior parent receives SDI. The minor parent aided as an eligible child in the senior parent's case is considered to be a parent as specified in Section 89-110.251. The minor parent does not receive one of the benefits specified in Section 89-110.22 or meet any other criterion to receive an exemption. Because both senior parent and minor parent are considered parents in determining exempt status, and all parents in an AU must receive one of the benefits in Section 89-110.22, the CWD uses the Nonexempt MAP

(SAR) Example 7 – Nonexempt AU – Aided Stepparent

The AU consists of a father, the father's children, and an aided stepmother. The stepmother is pregnant, but she is not the parent or caretaker relative of any of the aided children. The father receives temporary workers compensation (TWC). The

aided stepmother does not receive one of the benefits specified in Section 89-110.22 or meet any other criterion to receive an exemption. The CWD uses the Nonexempt MAP as both the parent and the aided stepmother must meet an exemption as required by Section 89-110.211.

(ARCO) Example 8 – Exempt AU – Unaided Stepparent

The family consists of a mother, the mother's children and an unaided stepfather. The mother receives SSI/SSP and is not in the AU. The stepfather, who is not the parent of any of the aided children, is unaided; therefore, he is not considered in determining the AU's exemption status. The CWD uses the Exempt MAP.

(SAR) Example 9 – Nonexempt AU – Undocumented Immigrant Father

The family consists of a mother, the mother's children, and the father, who is an undocumented immigrant. Eligibility is based on unemployment. The mother receives SDI. The father does not receive one of the benefits specified in Section 89-110.22 or meet any other exemption criterion. The CWD uses the Nonexempt MAP, as each parent must meet one of the criterion to receive an exemption even if they are not aided due to exclusion.

(SAR) Example 10 – Request for Review of AU Status by the AU

The AU consists of two parents and their two children, with deprivation based on unemployment. The AU receives the Nonexempt MAP. In June, the father requests a review of the AU status, as he has been determined to be exempt from welfare-to-work participation due to disability as specified in Section 42-712.44. The wife's application for IHSS was denied and she does not meet any other criterion for an exemption. Since both the father and the mother must receive one of the benefits specified in Section 89-110.22 or meet one other criterion to receive an exemption, the CWD uses the Nonexempt MAP.

.32 Determining MAP Status for Applicants

~~Handbook Section 89-110.32(QR) Example 11 shall become inoperative and Handbook Section 89-110.32(SAR) Example 11 shall become operative in a county on the date that SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Example 11 – Determining MAP Status for Applicants~~

~~(QR) An initial application is made January 4 for an AU consisting of a father and two children. The applicant AU is placed in a January/February/March quarter. When applying for aid, the father was in receipt of SSI/SSP. The SSI/SSP ends on February 28. Since the MAP status is determined prospectively for the entire quarter based on the applicant's status at the time application is approved, the~~

~~county uses the Exempt MAP to determine financial eligibility and cash aid for the entire quarter.~~

(SAR) Example 11 – Determining MAP Status for Applicants

(SAR) An initial application is made January 4 for an AU consisting of a father and two children. The applicant AU is placed in a January through June SAR Payment Period. When applying for aid, the father was in receipt of SSI/SSP. The SSI/SSP ends on February 28. Since the MAP status is determined prospectively for the entire period based on the applicant's status at the time application is approved, the county uses the Exempt MAP to determine financial eligibility and cash aid for the entire SAR Payment Period.

(ARCO) Example 11 – Determining MAP Status for Applicants

(ARCO) An initial application is made January 4 for an AU consisting of two children (father is unaided). The applicant AU is placed in a January through December AR/CO Payment Period. When applying for aid, the father was in receipt of SSI/SSP. The SSI/SSP ends on February 28. Since the MAP status is determined prospectively for the entire period based on the applicant's status at the time application is approved, the county uses the Exempt MAP to determine financial eligibility and cash aid for the entire AR/CO Payment Period.

.33 Determining MAP Status for Recipients

~~Handbook Section 89-110.33(QR) Example 12 through 16 shall become inoperative and Handbook Section 89-110.33(SAR) Example 12 through 16 shall become operative in a county on the date that SAR becomes effective in that county, pursuant to the County's SAR Declaration.~~

~~(QR) Example 12 – Determining Status for Recipients~~

~~(QR) An existing AU is in an October/November/December quarter. On the November QR 7, the recipient reported the receipt of SDI in the Data Month. The county verifies the recipient's QR 7 information and uses the Exempt MAP status to determine financial eligibility and cash aid for the next QR Payment Quarter.~~

(SAR) Example 12 – Determining Status for Recipients

(SAR) An existing AU is in a July through December SAR Payment Period. On the November SAR 7, the recipient reports the receipt of SDI in the Data Month. The county verifies the recipient's SAR 7 information and uses the Exempt MAP status to determine financial eligibility and cash aid for the January through June SAR Payment Period.

(ARCO) Example 12 – Determining Status for Recipients

(ARCO) An existing AU is in a July through June AR/CO Payment Period. On the June SAWS 2, the recipient reports the receipt of SDI in the Data Month. The county verifies the recipient's SAWS 2 information and uses the Exempt MAP status to determine financial eligibility and cash aid for the July through June AR/CO Payment Period.

~~(QR) Example 13—Late Discovery Due to Client's Failure to Timely Report~~

~~(QR) The AU consists of a parent and his child. The AU is in an April/ May/June quarter. The father starts receiving SDI in May but does not report the information on the QR 7. On July 2, the father voluntarily requests mid quarter review of his status and provides the appropriate verification of his exempt status. The first month the Exempt MAP status is effective is August. Section 89-110.271 provides that the MAP status change shall not be effective for any months prior to a request for review when the status change results from a request for review and Section 89-110.292(QR) provides that increases to aid due to a recipient mid quarter voluntary report are not effective until the first of the month following the report.~~

~~(SAR) Example 13 – Late Discovery Due to Client's Failure to Timely Report~~

~~(SAR) The AU consists of a parent and his child. The AU is in an April through September SAR Payment Period. The father starts receiving SDI in the Data Month of August but does not report the information on the SAR 7. On October 2, the father voluntarily requests mid-period review of his status and provides the appropriate verification of his exempt status. The first month the Exempt MAP status is effective is November. Section 89-110.271 provides that the MAP status change shall not be effective for any months prior to a request for review when the status change results from a request for review and Section 89-110.292(SAR) provides that increases to aid due to a recipient mid-period voluntary report are not effective until the first of the month following the report.~~

(ARCO) Example 13 – Late Discovery Due to Client's Failure to Timely Report

(ARCO) The AU consists of a child only. The AU is in an April through March AR/CO Payment Period. The father starts receiving SDI in August but does not report the information. On October 2, the father voluntarily requests mid-period review of his status and provides the appropriate verification of his exempt status. The first month the Exempt MAP status is effective is November. Section 89-110.271 provides that the MAP status change shall not be effective for any months prior to a request for review when the status change results from a request for review and Section 89-110.292(AR/CO) provides that increases to aid due to a recipient mid-period voluntary report are not effective until the first of the month following the report.

~~(QR) Example 14 – Late Discovery Due to Administrative Error~~

~~(QR) The AU consists of a mother and her child. The AU is in an April/May/June quarter. The mother's SDI benefits end on May 11 and the mother no longer qualifies for the Exempt MAP status. The AU reports the information correctly on their May QR 7 due in June. However, the county incorrectly processes the QR 7 and continues to use the Exempt MAP status for the July/August/September quarter. In July, the county discovers the error. Since the effective date of the MAP status change for the QR Payment Quarter was July 1, the county shall take mid-quarter action to correct the error. The county shall recompute eligibility and cash aid for the entire QR Payment Quarter using the nonexempt status. The county shall recompute aid for the remaining months of the quarter and shall make an overpayment or underpayment determination for the month of July.~~

(SAR) Example 14 – Late Discovery Due to Administrative Error

(SAR) The AU consists of a mother and her child. The AU is in a January through June SAR Payment Period. The mother's SDI benefits end on May 11 and the mother no longer qualifies for the Exempt MAP status. The AU reports the information correctly on their May SAR 7 due in June. However, the county incorrectly processes the SAR 7 and continues to use the Exempt MAP status for the July through December SAR Payment Period. In July, the county discovers the error. Since the effective date of the MAP status change for the SAR Payment Period was July 1, the county shall take mid-period action to correct the error. The county shall recompute eligibility and cash aid for the entire SAR Payment Period using the nonexempt status. The county shall recompute aid for the remaining months of the SAR Payment Period and shall make an overpayment or underpayment determination for the month of July.

(ARCO) Example 14 – Late Discovery Due to Administrative Error

(ARCO) The AU consists of a child only. The AU is in a January through December AR/CO Payment Period. The mother's SDI benefits end on May 11 and the mother no longer qualifies for the Exempt MAP status. The AU reports the information correctly on their SAWS 2 due in December. However, the county incorrectly processes the SAWS 2 and continues to use the Exempt MAP status for the following January through December AR/CO Payment Period. In February, the county discovers the error. Since the effective date of the MAP status change for the AR/CO Payment Period was January 1, the county shall take mid-period action to correct the error. The county shall recompute eligibility and cash aid for the entire AR/CO Payment Period using the nonexempt status. The county shall recompute aid for the remaining months of the AR/CO Payment Period and shall make an overpayment or underpayment determination for the months of January and February.

~~(QR) Example 15 – Mid-Quarter Status Review Request~~

~~(QR) An existing AU, a father and his child, is in an April/May/June quarter. Eligibility and cash aid for this quarter has been determined using the February QR 7 information. On May 15, the recipient voluntarily reports mid quarter that they began receiving SDI in lieu of their full time job on May 7. The recipient provides the necessary verification within 10 days of the report. The county determines that this voluntary mid quarter report will increase cash aid (see Section 44-316.31(QR)). The county changes the recipient's MAP status for the AU from Nonexempt MAP to Exempt MAP beginning in June and will continue to use the status until the AU reports a status change on either the QR 7 or a mid-quarter report.~~

(SAR) Example 15 – Mid-Period Status Review Request

(SAR) An existing AU, a father and his child, is in a January through June SAR Payment Period. Eligibility and cash aid for this period has been determined using the December SAR 7 information. On April 15, the recipient voluntarily reports mid-period that they began receiving SDI in lieu of their full time job on April 7. The recipient provides the necessary verification within 10 days of the report. The county determines that this voluntary mid-period report will increase cash aid (see Section 44-316.31(SAR)). The county changes the recipient's MAP status for the AU from Nonexempt MAP to Exempt MAP beginning in May and will continue to use the exempt MAP status until the AU reports a status change on either the SAR 7, SAWS 2 or a mid-period report.

(ARCO) Example 15 – Mid-Period Status Review Request

(ARCO) An existing AU, a child only case, is in a January through December AR/CO Payment Period. Eligibility and cash aid for this period has been determined using the December SAWS 2 information. On April 15, the recipient voluntarily reports mid-period that they began receiving SDI in lieu of their full time job on April 7. The recipient provides the necessary verification within 10 days of the report. The county determines that this voluntary mid-period report will increase cash aid (see Section 44-316.31(AR/CO)). The county changes the recipient's MAP status for the AU from Nonexempt MAP to Exempt MAP beginning in May and will continue to use the exempt MAP status until the AU reports a status change on either the SAWS 2 or a mid-period report.

~~(QR) Example 16 – Mid-Quarter Voluntary Report to Add a Person~~

~~(QR) An AU of one, a pregnant woman only case, is in an October/November/December quarter. The AU has been receiving aid based on exempt MAP status in accordance with Section 89-110.213. On November 5, the mother voluntarily reports the birth of the child and requests aid for the child. When determining the eligibility to add the child December 1, the county determines that the potentially "new AU" (the existing AU and the added person)~~

~~does not meet exempt MAP status. The county uses the Nonexempt MAP status to determine if the child is CalWORKs eligible and if the newborn's addition into the existing AU increases the grant. If the newborn increases cash aid for the existing AU, the Nonexempt MAP status shall be effective December 1 and will continue until a change in status is reported on either a QR 7 or a mid-quarter report.~~

~~(QR) If the newborn's addition into the AU would decrease cash aid, the Nonexempt MAP status shall be effective the first day of the next QR Payment Quarter and will continue until a change in status is reported on either a QR 7 or a mid-quarter report.~~

(SAR) Example 16 – Mid-Period Voluntary Report to Add a Person

(SAR) An AU of one, a pregnant woman only case, is in an October through March SAR Payment Period. The AU has been receiving aid based on exempt MAP status in accordance with Section 89-110.213. On November 5, the mother voluntarily reports the birth of the child and requests aid for the child. When determining the eligibility to add the child December 1, the county determines that the potentially "new AU" (the existing AU and the added person) does not meet exempt MAP status. The county uses the Nonexempt MAP status to determine if the child is CalWORKs eligible and if the newborn's addition into the existing AU increases the grant. If the newborn increases cash aid for the existing AU, the Nonexempt MAP status shall be effective December 1 and will continue until a change in status is reported on the SAR 7, SAWS 2, or a mid-period report.

(SAR) If the newborn's addition into the AU would decrease cash aid, the baby will be added to the AU and the Nonexempt MAP status shall not be effective until the first day of the next SAR Payment Period and will continue until a change in status is reported on the SAR 7, SAWS 2, or a mid-period report.

(AR/CO) Example 17 – Mid-Period Mandatory Report to Add a Person

An AU of one consists of a timed-out mother receiving State Disability Insurance, with one child, and is in an October through September AR/CO Payment Period. The AU has been receiving aid based on exempt MAP status in accordance with Section 89-110.22. On January 5, the child's father, who was previously on aid and is now timed out, returns to the home and reports he is not receiving any income. When determining eligibility, per section 44-316.31, the county determines that the father does not receive one of the benefits specified in Section 89-110.22 or meet any criteria in Section 89-110.21 and .22, therefore, the county uses the Nonexempt MAP to determine eligibility. The Nonexempt MAP status shall be effective February 1.

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.4 Relocation Family Grant (Continued)

Authority cited: Sections 10553, 10554, 11209, and 11450(g), Welfare and Institutions Code.

Reference: Sections 10553, 10554, 11265.1, 11265.2, 11265.3, 11450.01, 11450.015, 11450.03, and 11450.5, Welfare and Institutions Code; Federal Terms and Conditions for the California Assistance Payments Demonstration Project as approved by the United States Department of Health and Human Services on October 30, 1992; and Memorandum of Decision and Order in Green v. Anderson, (Civ. S-92-2118) dated January 28, 1993; and Letters from the Department of Health and Human Services, Administration for Children and Families, dated February 29, 1996, March 11, 1996, and March 12, 1996; Federal Register, Vol. 75, No. 19, dated January 29, 2010, pages 4928 and 4929 [7 CFR 273.12(a)(1)(vii)].

Amend Section 89-201 to read

89-201 MINOR PARENT REQUIREMENT (Continued)

89-201

.5 Senior Parent Income

In cases where the minor parent lives with his/her parent(s), the income and needs of the senior parent(s) shall be considered. Eligibility and grant amount for senior parent/minor parent cases shall be determined in accordance with Sections 44-133.5, 44-207 and 44-315 as appropriate, based on the specific circumstances of the case.

.51 Senior Parent/Minor Parent Eligibility and Grant Amount

When considering income of the senior parent(s), pursuant to Sections 44-133.5, 44-207 and 44-315, and that income does not result in ineligibility of the minor and his/her child(ren), and: (Continued)

.513 Grant Amount

The income of the senior parent(s) shall be considered and the actual grant amount calculated pursuant to Section 44-315.3.

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(ARCO) (a) Example:
Eligible Minor Parent in own AU

The persons residing together are the senior parent, her minor daughter (minor parent) and her minor daughter's child. The senior parent is not in the AU. The senior parent earns \$1,025 per month. The minor parent has no income. The family resides in Region 1 and is nonexempt.

The eligibility/grant computation is as follows:

\$1,025	Reasonably Anticipated Family Earned Income
- 112 225	\$112 225 Earned Income Disregard
\$ 913 800	
- 456 400	50% Earned Income Disregard*
\$ 456 400	Net Nonexempt Income*
\$ 638 670	MAP for an AU of Three
- 456 400	Total Net Nonexempt Income
\$ 182 270	Potential Grant
\$ 516 542	MAP for an AU of Two

\$ ~~182~~ 270 Actual Grant Amount
(lesser of potential grant or AU MAP)

~~* 50% Earned Income Disregard and Net Nonexempt Income must be rounded down to the nearest dollar amount: MPP Section 44-315.34~~

(SAR) (b) Example: Minor parent lives with both her parents. The Eligible Minor senior parents are in the AU with the minor parent Parent in AU of and the minor's child. One senior parent earns \$900 Senior Parent(s) per month. The other senior parent earns \$400 per month and receives \$125 in State Disability Insurance benefits. The minor parent has no income. The AU is nonexempt and resides in Region 1.

The eligibility/grant computation is as follows:

\$ 125	Reasonably Anticipated Monthly Disability-Based Unearned Income
- <u>225</u>	\$225 Disability-Based Unearned Income (DBI) Disregard
<u>0</u>	Net Disability-Based Unearned Income
\$ 100	Remainder of \$225 DBI Disregard
\$1,300	Reasonably Anticipated Monthly Family Earned Income
- <u>100</u>	Remainder of \$225 DBI Disregard
\$1,200	
- <u>600</u>	50% Earned Income Disregard
\$ 600	Net Nonexempt Earned Income
+ <u>0</u>	Other Nonexempt Unearned Income
\$ 600	Total Net Nonexempt Income
\$ 762 <u>800</u>	MAP for an AU of Four
- <u>600</u>	Net Nonexempt Income
\$ 462 <u>200</u>	Grant Amount

HANDBOOK ENDS HERE

.6 Minor Meets Exemption (Continued)

Authority cited: Sections 10553 and 10554, Welfare and Institutions Code; SB 72 (Chapter 8, Statutes of 2011), Section 42.

Reference: Sections 11008.14, 11017, 11254 (Ch. 1022, Stats. 2002), 11450, 11451.5, 11453, and 16506(d), Welfare and Institutions Code; 42 USCA 608(a)(5).